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# The Australian Outlook

THE JOURNAL OF THE AUSTRALIAN  
INSTITUTE OF INTERNATIONAL  
AFFAIRS.



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VOLUME 2. No. 2

JUNE, 1948

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Emperor and Government in Japan	-	W. Macmahon Ball
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## Emperor and Government in Japan.

W. Macmahon Ball (1).

In the closing stages of the war with Japan there was much debate and considerable disagreement in Allied circles about what should be done with the Emperor after defeat. One school of thought, pointing out the dangerous fusion in the Emperor's person of Japanese tribal idolatry and aggressive militarism, claimed that the Emperor system must be forthwith abolished if the danger of Japanese imperialism was to be removed. Some went further and urged that Hirohito be tried as a war criminal. The second school of thought claimed that if the Allies retained the Emperor it would be possible to exploit his prestige with the Japanese people to our advantage. Some members of this school claimed that the Emperor had in any case always been a mere figurehead and that it would be unrealistic to saddle him with responsibility for Japan's aggression or for the conduct of the Japanese fighting forces during the campaigns. The second school of thought won the day. I believe that, looking back, the conclusion is ineluctable that the retention of the Emperor was justified. The promptitude and completeness of the Japanese surrender in every theatre of war undoubtedly saved the lives of tens of thousands of Allied Soldiers. Since the surrender, the compliance of the Japanese Government and people with the orders of their conquerors must be attributed at bottom to the Emperor's authority. After due credit has been given to General MacArthur's firm benevolence, and the generally high standard of behaviour of the occupation troops, the extraordinary smoothness of the occupation stems ultimately from the Emperor's will.

I believe, therefore, that the decision to retain the Emperor was wise and I think that General MacArthur's attitude towards the Emperor has shown just the right mixture of tact and firmness. Yet it is important to remember that our tacit support of the

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1. This article represents portion of a chapter in Mr. Macmahon Ball's new book, *Japan—Enemy or Ally?*, which is to appear shortly.

emperor system and of Hirohito means a price to be paid and risks to be run. Without vigilance to minimise that price and guard against these risks, the consequences of our policy may seriously threaten the aims of the occupation.

The Imperial Rescript in which Hirohito broke the news to his subjects that the war had ended was a remarkable document. It is perhaps the most significant statement since the defeat of Japan became certain. It was made before the American forces landed in Japan, and when the Emperor consequently retained some degree of freedom. In my own view the weeks between the day when the Japanese Government decided to surrender and the day on which the occupation forces landed were of incalculable historical importance. It is my firm belief, though I cannot produce documentary evidence to support it, that during this brief breathing space the rulers of Japan quietly agreed upon the strategy and tactics they would follow during the occupation period. There were to be two keynotes of this strategy: complete outward compliance with the orders of the conquerors, combined with lasting spiritual resistance to the conqueror's will. Whether or not this version of happenings at the time of the surrender is accepted, the Rescript contains within itself considerable interest. It makes no reference to surrender. The Emperor has merely decided to "effect a settlement of the present situation." In conducting this course the Emperor is striving for "the common prosperity and happiness of all nations." There follows a strangely brazen attempt to justify aggression. The Emperor declared war from his "sincere desire to ensure Japan's self-preservation and the stabilization of East Asia." There is no suggestion that Japan has been forced to the point of unconditional surrender. The Emperor expressed his deep sense of regret to the nations of East Asia that were forced to ally themselves with Japan since they had "consistently co-operated with the Empire towards the emancipation of East Asia." And lastly, there is the statement that the acceptance of the Potsdam Declaration enables Japan "to safeguard and maintain the structure of the imperial state."

In my view the Emperor expressed in this Rescript more of his real mind than it has been opportune for him to express since the arrival of the occupation forces. The Rescript gives no hint of any change of heart or mind.

The debate continues on whether Hirohito can justly be regarded as guilty of the kind of crimes for which Japan's political and military leaders are now being tried by the international Military Tribunal for the Far East. This question hinges on whether we be-

lieve that before and during the war the Emperor's political position in Japan prevented him from exercising any effective influence over his advisers. It seems to me clear that he did exercise some real influence, though it seems nearly impossible for the foreign observer to know what degree of influence he was able to exercise on particular occasions. I think it is significant that the wartime rulers of Japan should be so insistent that the Emperor was free of all responsibility for aggression. Yet a careful reading of the diaries of Prince Konoye and of the Marquis Kido, and of the evidence in defence of General Tojo, seems to me to provide clear evidence that the Emperor was a party, though sometimes a reluctant and subordinate party, to actions which are now considered as war crimes. It may be true that at the critical meetings in the last quarter of 1941 the Emperor always sought to break the deadlock with the United States by diplomatic negotiations rather than by resort to arms. Yet he allowed himself to be swayed by his advisers and thereafter contributed to the efforts of the Government to work the Japanese people up into a fighting mood. While there may be little evidence that he played a positive role in the decision to make war, failure to act is sometimes as culpable as positive action. If Allied public opinion today accepts the thesis that the Emperor was a helpless pawn in 1941, I think it is difficult to give him credit for the part he played in bringing about Japan's surrender. There is a tendency amongst some people to insist that the Allies should feel great gratitude to the Emperor for having brought the war to an end at a time which saved the lives of numberless Allied soldiers. Undoubtedly this is the response which the Emperor and his friends wish to produce. It seems to me quite inconsistent with the available facts. The Emperor system in Japan has been a dynamic fusion of patriotism and religion, or, to put it more bluntly, of tribal ideology and superstition. The task of the Allies was to purge this system of militarism and feudalism and, as far as possible, of superstition.

The new Constitution makes a complete change in the Emperor's status and powers. It provides that he can act only on the advice of the Cabinet, which is in turn responsible to a Diet elected by universal suffrage. "The Emperor shall be the symbol of the state and of the unity of the people, deriving his position from the sovereign will of the people." (Article 1). "The Emperor shall perform any such state functions as are provided for in this Constitution. Never shall he have powers related to the government." (Article 4). The few functions left to the Emperor by the new Constitution are formal and ceremonial. This is the purpose of the distinction between

"acts in matters of state" and "powers related to the government;" he may perform such "acts in matters of state" as the Constitution provides, but "all powers related to the government are denied him."

The nature of the debate on the draft constitution in both the House of Representatives and the House of Peers indicated that many Diet members were deeply perturbed at the way in which the Draft sought to undermine the Emperor system. There was no feature of the new Constitution which aroused anything like the same interest or concern. Tokujiro Kanamori, the Minister of State in charge of the Constitutional debate, found himself in constant difficulties. His last line of defence in the face of conservative critics was the curious argument that because the Emperor and the people were really one and always had been, sovereignty continued to reside in the Emperor as well as the people, for the two were one and inseparable.

Whether the new Constitution brings about a real and not merely a temporary legal change in the Emperor's position depends at bottom upon the seriousness with which the Japanese people regard this document. The draft which the Japanese Government presented to the Diet bore all the marks of Western political ideas and a very strong American influence. There was no doubt that most educated Japanese regarded it as alien to the Japanese spirit. Premier Yoshida repeatedly warned the Diet that it was essential to adopt the Government Draft "in the exigencies of the present international situation" and "because of the feelings of the Allied countries." He begged the Diet to remember that "the Japanese Government because of its present position is subject to restrictions on its policies." He insisted that the new Constitution did not, despite appearances, mean a sharp break with the past. It was not to be assumed that it brought democracy to Japan for the first time. The charter oaths of the Emperor Meiji fully expressed the spirit of democracy. The new Constitution simply expressed it in a new form. Above all, it did not mean any change in the "national character," and the national character meant that the Emperor, who comes of the imperial line "unbroken for ages eternal," still forms the centre of the unity of the people.

The Japanese are an adaptable people with a great facility for compromise. It may be that they will come to think of the Emperor in much the same way as the British people have come to think about the King. But an attempt to graft a western concept on an eastern mind is a ticklish operation. I think it useful to re-



member the circumstances in which the Emperor was restored to dignity and power in 1868. The Satsuma and Choshu clans engineered the restoration and set out to persuade the people that the Emperor was divine and infallible because they felt that this was the most likely means by which they could assert and maintain supremacy over other rival clans. The Emperor system was to be the facade behind which they ruled Japan. We need to be wary today lest those conservative groups that are so anxious to protect the Emperor system are not merely hoping to exploit the Emperor's new human and democratic attributes in the same way that the Satsuma and Choshu clans tried to exploit the Emperor Meiji's divine attributes. A feudal system could hardly have a more acceptable front than a human and democratic Emperor.

### **Cabinet and Parliament.**

If the new Constitution strips the Emperor of all political authority, it is in order to give to a Cabinet responsible to a freely elected Diet supreme executive power. It is through the Japanese Government that General MacArthur has ruled Japan, and it is likely to remain an indispensable instrument of Allied control after the peace settlement. A great deal will therefore depend on the political outlook and capacity for leadership and organization possessed by Japan's leaders.

The election of April 10th, 1946, was a notable event. S.C.A.P. had already produced striking changes in the political scene. The Great Japan Political Association which claimed 337 out of 466 members of the House of Representatives at the time of the surrender had been dissolved in August, 1945. The "Purge Directive" of January 4th, 1946, had ordered the abolition of all ultra-nationalist societies, and had debarred about 200,000 persons from public life. Consequently, only about 50 members of the former House of Representatives were able to stand in the election of April, 1946. The more conservative parties were particularly hard hit by the purge. Meanwhile the Communists had been freed from prison and the communist party was given full freedom to organize and campaign. Women had been given the vote and the right to stand for parliament. The voting age had been reduced from 25 to 20. In all these circumstances it was natural that the election should have aroused world-wide interest. Yet polling day was remarkably free from excitements or drama. The impression I formed in the polling booths I visited in Tokyo was of quietness and order. Men and women moved through the booths in endless lines, and seemed to



be performing a drab routine according to instructions. The Emperor and General MacArthur wanted them to vote, and so, of course, they voted. I saw no faces shining with a sense of exhilaration at this new freedom. Yet the conditions of polling were undoubtedly quite new. There were no police or officials to exercise open intimidation. No charges of improper pressure on the voters were brought to S.C.A.P.'s notice by any parties or defeated candidates. It would be unrealistic to suppose that there were no such pressures. But this was nevertheless certainly the freest election in Japan's history.

Voting was not compulsory, yet polling was heavy by American or British standards—78.5 per cent. of the men, 67.1 per cent. of the women enrolled. The election produced a House of Representatives with the following distribution of parties: Liberals—140; Progressives—93; Social Democrats—92; Co-operatives—14; Communists—5; Minor Parties—38; Independents—82. The Liberals and Progressives, despite their names, were the most conservative parties in Japan. Neither party was either liberal or progressive by British standards. The differences between these right wing parties were mainly due to group and personal rivalries. The Social Democrats avow socialist objectives. The party is sharply divided into right and left wing. About three quarters of the Social Democrat members of Parliament belong to the right wing, and apparently regard socialism as part of the theory, rather than the practice of politics. Nearly all of the Independents, and most of the members of the minor parties could be safely classed as conservative. Hence, despite the increase in the numbers of Social Democrats from 17 to 92, free elections produced a Diet that was fundamentally conservative.

After six weeks of party manoeuvring, the Yoshida Cabinet was installed on May 22nd, based on a coalition of Liberals and Progressives. Mr. Shigeru Yoshida was an outstanding member of the Japanese group of intellectuals commonly described before the war as "liberals." There was a widespread absence of enthusiasm for the new Cabinet. Most of its members were ageing and weary men (their average age was 61) retrieved from obscurity because more able and vivid figures were either unwilling to accept responsibility at this time, or had been debarred from office by the purge directive. It soon became apparent that this government could hardly provide the united leadership, initiative, and vitality so badly needed to remake Japan. Yet nothing in the election appeals of the Liberal or Progressive parties had foreshadowed quite how nerveless and

hesitant, nor quite how conservative the Yoshida Cabinet would prove to be.

The basic weakness in the Yoshida Government's policy was that it was unwilling or unable to impose direct controls over productive resources. At the end of the war Japanese industry was in a run-down condition. Capital equipment had deteriorated through lack of maintenance and some had been destroyed in air-raids. Production of key raw materials had been falling for two years. It was essential that capital equipment should be reconstructed and repaired and the output of basic raw materials revived, as the necessary basis for any permanent recovery. This was particularly so in the coal industry where mines and plant had been badly over-worked. Transport equipment, such as railway rolling stock, was also in a poor state. Industrial efficiency generally was at a low ebb.

Such a programme required the mobilisation of all available resources and would only have been possible with the strictest control over the distribution of raw materials, the rationing of major consumption goods and the prohibition of unessential production. On the financial side, a balanced budget, high taxation and control over wages and prices would have been necessary. It was a case of husbanding Japan's scarce resources for the rebuilding of its industrial machine. Individual initiative was weak. There was, therefore, a strong case for the Government's taking over the control of certain basic industries, not necessarily permanently, to mobilise resources for their reconstruction where ordinary commercial incentives might have been too weak and uncertain a motive.

The Yoshida Government's policy mainly expressed the economic philosophy of Mr. Tanzan Ishibashi, the Finance Minister, who was a firm believer in free enterprise and appeared to put complete trust in the adequacy of the profit motive in all circumstances. Meanwhile, the American economists in G.H.Q. were in private becoming increasingly alarmed at the Japanese Government's incapacity to control the worsening economic situation. Yet in public the representatives of G.H.Q. continued to compliment the Yoshida Government on its aspirations and achievements. However, by March 1947, after the Yoshida Cabinet had for 10 months been showing that it had neither the will nor capacity to do what was necessary, General MacArthur staged a personal intervention of a surprising and significant kind. On March 22nd he wrote to Mr. Yoshida; at the Allied Council meeting of April 2nd, he not only asked for advice on the best way to stabilise wages and prices, his Chief of Staff, Major-General Paul Mueller, sent a Minute to the

Council which elaborated the thesis of the MacArthur letter, and Dr. Sherwood Fine, the senior economist in G.H.Q., gave the Council his views of the economic situation and what the Government should do to meet it.

The overt intervention by General MacArthur and senior officers of G.H.Q. was significant for two reasons: it was a public statement of S.C.A.P.'s dissatisfaction with its main and indispensable instrument for pursuing the aim of the occupation—the Japanese Government; and it was an unequivocal statement of S.C.A.P.'s belief that in the existing situation it was essential that "free enterprise" should be replaced by a directed economy.

It may be worth while to speculate why S.C.A.P. delayed so long in rebuking the Yoshida Government for its inactivity and instructing it to take firm and comprehensive control measures. One reason may have been the tendency which I repeatedly noticed of the senior soldiers in G.H.Q. to try to shield the Supreme Commander from gaining official knowledge of what was unpleasant. Being untrained themselves in economic or public administration, these officers may have failed to appreciate the seriousness of the economic trends and therefore failed to give due weight to the warnings of those civilian subordinates who were well aware of what was going on. It may have been, too, that General MacArthur was reluctant to instruct the Japanese authorities to carry out the sort of policy that would be difficult to harmonise with his own "individualist" outlook on economic questions, even though the controls he directed were only to meet a temporary emergency. Finally, it was normally the considered policy of S.C.A.P. to avoid publicity in putting pressure on the Japanese Government.

To make a sound appraisal of the Allies' chosen instrument—the Japanese Government—it is very important to remember S.C.A.P.'s deliberate decision, after the issue of the basic Directive in the first months of the occupation, normally to guide and control the Japanese authorities behind closed doors. To forget this may mislead us seriously for we may assume that a number of liberal and reform measures sprang from Japanese initiative, not from the advice or direction of G.H.Q. And this would often give us a false picture of the outlook and aspirations of Japan's political leaders. We should appreciate the solid and disinterested reasons that made General MacArthur decide to do good by stealth. One of his primary tasks was to educate the Japanese in the habits of responsible government. That means they must respect the authority of their freely elected parliament and the Cabinet responsible to it. The Government would

almost certainly lose face if the people came to regard it merely as a body set up to take orders from S.C.A.P. Moreover, if the Government's policies were ostensibly the expression of its own will, it might be expected to make greater efforts to administer them efficiently than if they were publicly recognised as S.C.A.P. decisions. Lastly, some future Japanese Government might find it easier to repudiate the reforms during the occupation if they could be stigmatised as the mere imposition of the conqueror's will. For all these reasons S.C.A.P.'s direction of the Japanese has normally been carried out secretly. G.H.Q. officers have tried to persuade and induce, rather than compel. Yet the Japanese have recognised that General MacArthur has force in reserve, and they have therefore shown sensible compliance. Explicit disagreement or overt opposition have been excluded from the tactics of resistance.

When all has been said in favour of private pressure against public compulsion it is a technique possessing certain disadvantages and dangers. S.C.A.P.'s hand is never completely concealed. The Japanese political leaders know what happens and they tend to discuss freely in private, sometimes with resigned good humour, sometimes with bitterness, their subservience to the "requests" of G.H.Q. The sense of responsibility which General MacArthur has been trying hard to inculcate does not seem to develop. Instead the Japanese attitude is, "Well, let's leave it to S.C.A.P. S.C.A.P. will decide anyhow, so let us not worry too much about it at present."

The chief danger of the policy of concealing S.C.A.P. pressure is that it may seriously mislead some Allied peace-makers in their decisions on the sort of controls that should be established after the settlement. Anyone who relied exclusively on the official reports of the activities of the Japanese Government and Diet under the occupation would have immense difficulty in reaching a true view of the outlook of these bodies. In conformity with the policy of concealed pressure these reports record a number of liberal and reform measures in a way that implies they were spontaneous. "After a free and comprehensive debate the House of Representatives, by almost unanimous vote, adopted the following amendment to the Bill." Or, "despite its previous disagreements the Cabinet, at yesterday's meeting, reached complete agreement on the measures it should take."

Though the Diet has staged some able debates, it has in general been a confused and ineffective body. The initiative has always been in G.H.Q., S.C.A.P. or in the Cabinet, and Parliament has mainly been a disquieting mirror of party and personal feuds with

feverish bouts of "processing" measures which it has not seriously examined or debated.

It is doubtful whether the Diet, or the Cabinet, is the residence in fact, and not only in form, of political power. It seems more likely that the real holders of power in Japan to-day keep behind the scenes as far as possible. In the last quarter of 1947, just after I had left Japan, great press publicity was given to "revelations" about the existence of a "hidden government" which worked behind a "black curtain." It seemed to me unfortunate that these stories should have been so highly dramatised and taken the form of a "revelation." They can only have been that to superficial observers who had been led to believe that, under the Occupation, the Japanese people had suddenly abandoned habits ingrained for hundreds of years. In Japan, more than in most countries, the most important deliberations and decisions take place behind the scenes. In Japan, as in all countries suffering from acute shortages and inflation, groups of black marketers seek to exploit others without scruple. To do this effectively on a national scale considerable organization is necessary. It is also highly desirable, if the "spivs" are to prosper, that every effort be made to corrupt politicians and public servants. Japan is not the only country in which this sort of thing happens; it is simply that the social habits of the Japanese provide an atmosphere that fosters these sorts of extra-legal or illegal organisations.

It is clear that "revelations" about the Japanese underground are exceedingly hard to check with any precision. It must be accepted that powerful under-ground organisations exist, and that their activities enormously complicate Allied efforts to control Japan through the established Japanese Government. For the Government's power is everywhere limited by these "hidden" forces.

### **The Bureaucracy.**

In the political life of Japan from the Restoration of 1868 until the surrender of 1945, power was never the monopoly of a single group or organization. There was nothing, even in the war years, to parallel the one-party rule that existed in Germany under the Nazis or Italy under the Fascists. Final decisions in Japan were the product of the prevailing distribution of power between four groups—the armed forces, loosely called the militarists; the big business interests—the Zaibatsu; the political parties; and the bureaucrats. The Emperor was the fulcrum round which these groups revolved.



Changes in policy could be traced to shifts in the continuously changing balance of these four bodies.

The Tojo period was one in which the militarist group enjoyed unusual strength, but even at the height of his power, Tojo was compelled to make concessions to the other three elements, temporarily subordinate in the national coalition. The place of the bureaucrats in this four-power system was always strong. The Japanese public service has often been likened to a feudal guild for its exclusiveness and for the iron discipline it exercised over its members. Its responsibility to its political heads was generally nominal; it had its own policy directed to strengthening its own entrenched interests; its senior members usually held key cabinet posts where they jostled for position with the other three groups.<sup>2</sup>

General MacArthur was aware that this feudal state machine, if left to itself, could sabotage all reforms. Its old rivals had fallen on evil days. The militarists were largely discredited and their organizations dissolved. The Zaibatsu was forced to lie low. The political parties were rent with discords. This might be the great opportunity for the bureaucrats to achieve unchallenged predominance. And in fact I think, of all the four former groups, the bureaucrats have undoubtedly had most success in retaining their power. It could hardly have been otherwise. It is true that the purge has skimmed off most of those senior public servants who had blatantly and overtly supported Japan's ultra-nationalism and aggression. But purged officials are only a small percentage of the public service. The whole process of government would have been brought to a standstill if the purge had been applied too drastically.

G.H.Q. has sponsored ambitious and comprehensive measures for the reform of the bureaucratic system; among them is the decision to abolish the Home Ministry and decentralize administration. Some of these measures have already been "processed" by the Diet and are now law. But the Japanese have the gift of postponing, for "regrettable, unavoidable and unforeseen circumstances" the carrying out of these reforms. And they have a gift for "democratising" an institution by changing its name and reshuffling its personnel without changing its nature. Hence the real reform of the public service is likely to be one of the toughest tasks of the future.

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2. See the excellent article "Japan as a Political Organism" by T. A. Bisson in *Pacific Affairs*, Vol. XVII, No. 4.

## Germany under Allied Military Government.

*W. Friedmann.*

After three years of Allied Military Government in Germany, which have brought mounting problems and disillusionment, a definite crisis has been reached. The thin superstructure of joint allied government has practically collapsed after having led an anaemic existence from the very beginning. If it continues to hang on by the skin of its teeth, it will be because of the strategic interests and prestige considerations of the different Powers rather than because it has any chance of successful operation. The effective division of Germany into four occupied zones, which has been the predominant feature from the beginning of the Occupation until recently, is now giving way to a gradual consolidation into two halves, the one consisting of the Soviet Zone, and the other of the three Western Zones. This consolidation is accompanied by still cautious but increasingly definite attempts to reconstitute the eastern and western halves of Germany as active political units within western and eastern associations of nations. It will not be many months before the two parts of Germany will emerge as fully fledged states with German governments, subject to a measure of control by their respective occupiers.

The present stage, therefore, marks a turning point in two respects. On the one hand it symbolises and deepens the political, social and economic gulf, within Europe, between two groups of nations. One of them is definitely and clearly under the supremacy of the Soviet Union, the other is under strong American influence not only because the United States, through her control of one of the three Western Zones, has a direct stake in Europe, but also because her military and economic assistance will for years to come be an indispensable condition for the recovery of Western Europe. Yet the degree of dependence of the western group of European nations on America is still to some extent an open question. A greater degree of independence and initiative—which for reasons



given later in this article is eminently desirable—is still possible. And this for two reasons: one is that the United States is more remote, both physically and politically, in relation to western Europe than Soviet Russia is in relation to eastern Europe. The other is that the nucleus of a western association of Europe consists of a group of democratic states with widely different histories and a tradition of political and national independence which they will and can defend with greater prospects of success than the eastern states which have been incorporated in the Russian Zone.

### **Allied Military Government in Retrospect.**

The problem of Germany therefore becomes today merged in the wider problem of European and world politics. Without question Germany, divided, prostrate and restive, will be no less a key problem to the future of Europe and to the wider question of peace or war than she has been in the past three quarters of a century as the strongest and most aggressive of Continental powers. A brief survey of the main problems and failures of military government, as they have emerged in the past three years, is therefore more than a matter of intense historical interest. Without it one of the key problems of modern world politics cannot be understood.

From the beginning there were two paramount aspects of the allied occupation of Germany. One was the immediate and professed objective of the reconstruction of Germany, as a demilitarized, peace-loving, democratic and socially balanced state, which would be incapable of starting another war. This task created for the Allies political, constitutional, economic, social and ethical problems. These will be briefly considered in turn. The other no less important aspect, was the experiment in international government undertaken by the four major Powers of the world which, together with a potentially powerful but at present demoralised China, also constitute the permanent members of the Security Council of the United Nations. The problem of the relationship between the conquerors and the vanquished and inter-allied relations have in fact been constantly mingled from the beginning of the Occupation. Allied conflicts have immensely aggravated the task of reconstruction in Germany, and the immense complexity of these tasks has aggravated inter-allied relations.

### **Political Reconstruction.**

The Potsdam Agreement of August, 1945, implied that the German state was to be preserved, although the government of Ger-

many was for some time to be carried on by the Commanders-in-Chief of the four occupying Powers acting jointly through the Control Council. It specifically said that for the time being no central German Government was to be established, but that certain essential central German administrative departments, particularly in the fields of finance, transport, communications, foreign trade and industry, were to be established, under the direction of the Control Council. At the same time the Potsdam Agreement provided for the restoration of a democratic form of government, through the revival of democratic political parties, freedom of speech and self-government. These two aspects of political reconstruction must be seen together, for long before the breakdown of the London Conference of Foreign Ministers in December, 1947, it had become apparent that the divergent conceptions of the Occupying Powers on political democracy made the formation even of a provisional Central German Administration impossible. At the very beginning, Central Administrations could have been established, on a non-political basis, with experts who were not tainted with specific Nazi associations. The reconstruction of government in the Western Zones started on this basis, although that in the Eastern Zone had from the beginning a stronger political slant. But after the re-introduction of democratic politics into German life and the reconstruction of political parties, the split became increasingly great. Four major parties representing the main trends of political thought emerged, at first in all four zones, though with gradually differing speed and freedom of movement. On the Left, the Social Democratic and Communist Parties re-emerged, and, as before the Nazi regime, the former commanded the loyalty of the majority of trade unionists and a substantial proportion of independent progressives, while the latter combined certain militant workers' sections, intellectual radicals, and a floating element which was passing backwards and forwards between Nazi and Communist allegiance. The party of the middle, which over Germany as a whole would probably be the second largest but in the three Western Zones taken by themselves is roughly equal to the Social Democrats in strength, is the Christian Democratic Union (C.D.U.). It combines strongly clerical and openly reactionary elements with a progressive Christian wing, though some of the latter is represented by the Centre Party, a party of some importance in Rhineland-Westphalia. The Liberal Party is the weakest of the four, but in the last series of Land elections it obtained everywhere over 10 per cent. of the votes. In the Soviet Zone it polled more

heavily owing to the suppression of the Social Democratic Party. This leads to the main split between east and west in Germany. Aware of the relative weakness of the Communist Party, the Soviet Military Governor sponsored a merger of the Communist and Socialist parties, a new so-called Socialist Unity Party. This merger took place in March, 1946, with the unanimous support of the Communists but with the support only of a small minority of Social Democrats. Subsequently the Social Democratic Party was outlawed throughout the Soviet Zone except in Berlin, where the three western Allies secured its continued existence and where it gained a decisive electoral victory in the municipal elections of October, 1946. As all over the world, the deplorable split, within the parties of the Left, between Social Democrats who wish to combine moderate socialism with parliamentary democracy, and Communists who favour one-party control and radical socialization, and who above all support the policy of the Soviet Union in all its aspects, is a decisive feature of political life. In the Western Zones the Communist Party has full political freedom, though the Western Allies will no doubt use increasing pressure to exclude them from government where this is possible. So far, however, there is no restriction of political freedom in the West comparable with that of the East. This alone would make a central German Government impossible. The Social Democrats could never recognise the Socialist Unity Party as the only major party of the Left. While in the Soviet Zone the Socialist Unity Party controls the government and the management of industry, it is of necessity the dominant party in coalition governments and it exercises additional control through the trade union movement which is subject to strong political pressure.

### **The Constitutional Problem.**

At the same time, general allied policy as well as the zonal divisions have produced a radical constitutional re-organisation of Germany. The country has been thoroughly federalised, and outwardly at least the four Powers have proceeded on similar lines. By one of the few major laws passed by the Control Council, the State of Prussia has been dissolved. There are now 17 federal states (*Länder*) apart from Berlin, which is governed separately. To some extent they correspond to former German states or provinces (such as Bavaria or Saxony), but many are new formations, in some cases as a result of definite regional re-organisation (such as Greater Hesse, Lower Saxony and North-Rhineland-Westphalia, which

includes the whole of the Ruhr district); in other cases they are the result of a purely arbitrary, artificial and deplorable division of military and occupation zones (notably in the case of Wuerttemberg and Baden, two of the oldest and most democratic States of Germany which are divided through the borderline between the United States and French Zones but may conceivably be restored as a result of eventual fusion between the three Western Zones). All these states have democratically elected parliaments, and the apparatus of state government. Each Land has adopted a constitution of its own, although those in the Soviet Zone closely follow the pattern of a draft prepared by the Socialist Unity Party. What is lacking so far is a federal super-structure. Every state and party continues to express its desire for the establishment of a federal government in Berlin, but hope is fading. Meanwhile the foundations for federal super-structures have been laid in Berlin and Frankfurt. The Soviet Government established central administrations in the Soviet Zone as early as September, 1945. Their authority is gradually being strengthened, and they will no doubt be transformed into a federal government before long. The Western pattern is more complex and confused. At present there is only economic fusion between the British and United States Zones. The French Zone remains outside. The constitutional and administrative pattern of an economic as distinct from political fusion is unbelievably complex and confused. The position has been made more difficult by American constitutional dogmatism. Decentralisation of Germany was the general objective. No less necessary, however, was the economic control and equitable distribution of the fantastically inadequate resources of Germany. Yet the Americans, whose constitutional measures were dominated by men of strong confederalist and conservative tendencies, insisted on a constitutional pattern which left a minimum of planning powers to the economic authorities at Frankfurt and encouraged autonomy and with it economic selfishness on the part of the Länder. The details are far too complex for this article.\* The pattern of a future federal government of Western Germany is foreshadowed in the latest re-organisation of February, 1948, which established an Economic Parliament consisting of two parts, an elected Economic Council (Lower House) and a nominated Landerrat (Upper House) consisting of two members from each of the eight states. An Executive Committee consists of the directors of the five bi-

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\* For a detailed account see my *Allied Military Government of Germany*, p. 88 et seq., and the *New Charter*, published in *The Times* of 7th February, 1948.

zonal economic departments and it is responsible to the Economic Parliament which operates on party-political lines. After many months of chaos, the American authorities have gradually conceded a slightly larger degree of superior and directing powers, but according to all latest accounts this has come too late to rescue the administration from a state of economic chaos, top-heavy bureaucracy and political party strife which can hardly be surpassed. A High Court has now been established to decide constitutional disputes between the economic authorities at Frankfurt and the Länder. In short, the constitutional pattern of the United States has been transferred to Germany, coupled with a strong bias against economic planning. No doubt the future government of Western Germany will be constituted on similar lines..

### **The Economic Problem.**

The end of the war left every major German city, with many of their factories, in a state of complete destruction. The zonal divisions severed parts which had been economically dependent on each other. The western and eastern halves of Germany have roughly the same proportion of industry and agriculture. These are in almost every field complementary, not self-contained. Coal mining in Saxony depends on machinery from the Ruhr. The Ruhr depends on grain from the east; and the secondary industries of Berlin, mainly the electrical and textile industries, depend on raw materials from elsewhere. Moreover the Russians and French concentrated in the first year of Occupation on a ruthless policy of dismantling of machines for reparation. All Powers spent the first twelve months of occupation in working out a vast, complex and completely futile programme of de-industrialisation, the so-called "Level of Industry" Plan, which prohibited certain industries and fixed maximum levels for others. Until very recently they have continued to close down or dismantle certain important industrial installations. Some of the demolitions may be justified as reparations or for the purpose of de-militarisation. But many others, such as the closing down of chemical factories making butter and soap from coal by-products, marked the half-hearted survival of a completely mis-conceived policy which most of the administrators on the spot fought as hard as they could. The Plan remains an entirely dead letter. One of its key points, the maximum level of steel production, has already had a decisive upward revision, which is indicative of the changed approach of the Allies. Partly because they have become aware of the immense burden cast upon themselves as the



controllers of Germany's destiny, by a chaotic economy and a desperate people, and partly because they begin to consider their Zones as potential allies and assets in a possible war, allied policy has gradually swung round towards economic reconstruction. This is sound enough, though immensely more costly than it would have been two years earlier. The danger is now that the pendulum may swing too much to the other extreme and that the original objective of security control over German re-armament may be lost altogether. As regards Japan, the United States has now openly avowed the objective of making it the workshop (and that means the arsenal) of the Far East. In Germany, the chaos and destruction are such that this danger will not become apparent for many years. One of the easiest and most natural avenues to a reasonable economic reconstruction of Germany, the linking up between the east and west for mutual supplies and assistance, is now increasingly unlikely. It is far more likely that east and west Germany will be linked with eastern and western economic reconstruction plans.

### **The Social Problem.**

The gulf between the social pattern of eastern and western Germany is threatening to become increasingly a reflection on the conflict between American ideas of free enterprise and social conservatism and Soviet ideas of radical social reconstruction, and one-party government. This is a tragic position which places the millions of people, in Germany and elsewhere, who believe in the necessity of far-reaching social changes and the need for a controlled economy into a grave dilemma. The situation is aggravated in Germany through the problem of de-Nazification. The Americans, always radical and forceful in the carrying out of their changing policies, originally took the lead in arresting leading German industrialists whose share in the deeds of the Nazi regime is beyond doubt, but they were increasingly unwilling to face the natural consequence of public control of basic industries. This goes so far that the American authorities have consistently failed to implement parliamentary German decisions and plebiscites deciding for the public ownership of certain industries. They are now increasingly co-operating with industrialists and business managers who, as a class, have always been closely associated with German nationalism and re-action. The Russian authorities on the other hand have begun radical measures of land reform and socialisation of industries. They have transferred the most important industries into Soviet ownership, and thus "de-nationalised" them. They have

done so by dictation or by the semi-democratic process of Communist sponsored factory resolutions or by parliamentary majorities which are easy to attain in view of the political pattern described earlier in this article. In the west the result is despondency of the moderate Left and welcome food for propaganda for the Communists.

Land reform is a particularly acute issue. It is of far greater importance in the Eastern zone, where the bulk of Germany's landed aristocracy is concentrated, than in the Western and Southern parts where the peasant farmer predominates. The Russians and their German followers have certainly tackled radically a problem which has been overdue for solution and which successive generations of German governments have been too timid or unwilling to tackle. They have divided up all estates of more than 100 hectares, belonging to between six and seven thousand large landowners, into some hundred thousands of small holdings. They have done so without compensation, at great haste and without regard to the economy of cultivation. This is aggravated by the disastrous lack of farming machinery, horses and cattle which have been taken away from the Eastern zone on the largest scale. It is certain that before long the thousands of small peasant owners will be compelled to combine into collective farms. If measures in the Eastern zone have been ruthless and radical, they have been timid and insignificant in the West. Both the British and American Military Governments have adopted a few face-saving measures limiting the maximum size of land ownership but allowing the owner to rent for cultivation the land which he has to surrender. However, the problem of land reform is far less significant in the West than that of the public control of basic industries. In regard to this latter question, trade unions and co-operatives have time and again made constructive and responsible proposals which have been cold-shouldered by military government. The British authorities have been not unsympathetic but half-hearted, the Americans have been increasingly hostile, and it is they who now call the tune in the Western zones of Germany.

### **The Ethical Problem.**

The problem of a lasting change of heart in the political attitude of the German people is linked with all the problems previously mentioned, and it over-shadows them all in fundamental importance. Strenuous efforts have been made in the direction of democratic education. Text-books have been ruthlessly purged, teachers have been de-nazified. Many able and enthusiastic allied officers have



done their utmost, yet few would have the courage to assert today that the majority of Germans are fundamentally converted to the conviction that peace is better than war, and democracy better than strong authoritarian government. For this there are many reasons. One is the disastrous initial mistake, especially of the Western occupying powers, of confusing the responsibility of the German people for the damage done to the world on their behalf, with the imputation of equal, collective guilt of all Germans. Nothing was better calculated to discourage and embitter the many thousands who had suffered persecution and loss of employment under the Nazi regime. But more fundamental is the contrast between theory and practice. For a brief "honeymoon" period, the overwhelming majority of Germans, beaten, bewildered and disgusted with the nihilism and brutality of the Nazi leaders in defeat, were ready to accept the gospel of allied moral as well as physical superiority. But soon enough they witnessed the struggle for power between the allies; the behaviour of all occupying forces contrasted with the pamphlets distributed before and at the beginning of the occupation. Starvation and misery force every German into the black market. The school child who is taught democracy at school will immediately after be sent to beg for chocolate and cigarettes from allied soldiers. For the older girls and many women the price to be paid for material advantages—which often go to the family—is prostitution. Inevitably, the majority of unthinking Germans tend to forget the ultimate responsibility of their own former leaders and increasingly blame their present masters for their misery. The Nazi thesis that politics is power and right a matter of superior strength seems vindicated. To this must be added the effect of many years of destruction of values by the Nazi regime. Taught to fight and ask no questions, millions of Germans, especially the masses of unemployed soldiers, engineers and technicians, will be ready to fight, as professionals, in a war between Russia and the Western powers; both sides would be able to recruit many divisions. Nor is this a sign of particular German depravity. Most people anywhere would act similarly in such a situation.

### **Present Prospects.**

The picture is grim enough. Apart from reflecting, in a particularly acute form, the conflict which divides the world, Germany is today a hotbed of pathological misery. With a population equal to Germany's pre-war total, on a space smaller by one-third, with industries crippled, grossly insufficient food and raw materials,

burdened with a fantastic array of German and allied authorities, cynical or apathetic as a result of twelve years of Nazi regime and three years of allied military government, the new Germany is not likely to be a pillar of peace. What remains to be done? On the whole it is only second best solutions which are still possible. The allied powers will probably preserve a thin superstructure of joint control, and this may prevent the complete severance of East and West. But under this very thin and fragile shell, the formation of two separate states is now not only inevitable but desirable. It will greatly reduce the fantastic complexities of the present administration, and above all it will give the German people, though separated into two halves, a more positive association with larger areas and other nations. This is likely to have a psychological as well as an economic effect. Economic reconstruction now takes precedence over security against re-armament, but, as I have pointed out elsewhere\*, security control at key points is possible with a relatively small apparatus. Ultimately the question whether the new Germany will be a factor for peace or for disorder, is dependent on the policy and relations of the allied powers, in particular of both Soviet Russia and the United States. Because the antagonism between these two powers is not likely to diminish in the near future, the formation of a Western European association of nations, under the moral leadership of Britain, as the strongest, stablest and socially most constantly progressive of the powers in that group, is a particularly urgent necessity. If it is to succeed in its major purposes this group must acquire a considerable degree of independence from the United States.

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\* *Allied Military Government of Germany*, pp. 219-222.

## Manuel Roxas, Philippine Leader.

*T. Inglis Moore.*

In 1921 the 30-year old Manuel Roxas entered the Philippine House of Representatives and was elected its Speaker, a position which he held for eleven years. In 1945 he became President of the Philippine Senate. On May 28, 1946, at the age of 54, by defeating President Osmeña he became the third and last President of the Commonwealth of the Philippines. On July 4th of the same year he was inaugurated the first President of the newly created Republic. On April 15 of this year, after addressing the American air force at Clark Field, he suffered a severe heart attack and died some hours later.

Only a few weeks before his death I had been struck by the change in his appearance since I had known him some years before the war. The old sparkling vitality had gone, and he gave the impression of an aged and tired man. As he rose to shake hands with me in his room at Malacañan Palace, his height—he was much taller than the average Filipino—helped to make his dignity impressive. But when he sat down in his chair he slumped a little, and the loose-fitting Tagalog shirt increased the suggestion of relaxation. His trained mind showed its usual acuteness as he discussed his long-range plans for rehabilitation. These were his primary concern as President, and there is no doubt that he planned with expert insight just as he worked extremely conscientiously at his formidable task. But the strain of his overwork and heavy responsibilities was reflected in his thinned face, and there was small hint of the former dynamic quality that had won him popular election as the national leader who was the "strong man" for the nation's crisis. Noting his mellowed and earnest thoughtfulness, I could not help thinking that Manuel Roxas had grown less like Manuel Quezon and more like Sergio Osmeña, and that the combination of years and responsibilities were perhaps ripening the politician into a statesman.

The passing of its first President has ended one period of the Republic and set the stage for a fresh development. At this point, therefore, it may be valuable to examine the place of Roxas in the

history of the Philippines and estimate his significance as a Filipino leader. I shall discuss, therefore, his personality and career, his contentious role in the vital collaboration issue, and his record as President. I shall omit, however, his part in the determination of Philippine-American trade relations, since I have dealt elsewhere with this large and complex topic. A full assessment of Roxas is impossible now, since the perspective of time and a clarification of many doubtful points are needed. But much light can be thrown on his character and achievements by an objective analytical survey.

The personal aspect is a primary one since, without aspersing the validity of the Tolstoyan or Marxist interpretation of history as being determined by mass movement and broad economic forces, it must be recognized that for the Philippines—as indeed for all Oriental polities—the Carlylean dictum also holds good that history is biography. Parties and programmes have counted for less in Manila than personalities, since the Malayan tradition of chieftain rule has been reinforced there by the Spanish tradition of rule by the leader. “El Supremo” was a title given once to General Aguinaldo by Filipino revolutionaries as naturally as by Spanish reactionaries to General Franco. Constitutional homage was paid to this tradition by the strong powers vested in the chief executive by the Philippine Constitution. In practice, despite adoption of American democracy, the country has been run ever since responsible government was granted by the United States in 1907 by three virtual dictators—Osmeña, Quezon, and Roxas.

Of the Triumvirate it was Osmeña who ruled local politics for 14 years from 1907 to 1921, Quezon for over 20 years from 1921 till he left Corregidor in early 1942, and Roxas from 1945 when he became Senate President until his death this April. Osmeña's dictatorship, of course, was modified considerably in the earlier period by American Governor-Generals, and during part of 1945 and 1946 he reigned as President without being able to exercise a true dominance. Quezon's dictatorship, especially as President during the Commonwealth era, was the most absolute of all. It was the tragedy of Roxas that his sudden and untimely death just as he was making some headway in national reconstruction robbed him of his chance to gain solid achievement as a leader. Certainly his political contributions in subordinate capacities had been both substantial and distinguished, but his period of “dictatorship” only lasted less than two years, whilst he was unlucky enough to arrive at the leadership at a time when its problems were abnormally difficult. If he had been able to conclude his term of office, he might have achieved his pur-

pose of soundly rehabilitating a war-devastated country and a bankrupt economy. As it was, he could only lay some foundations.

Osmeña, Quezon, and Roxas all possessed qualities of leadership—strong personalities, exceptional mental ability, the power to attract and hold followers, the political flair, and the oratory needed in a democracy to win votes and influence electors. Their personalities in many respects, however, were quite dissimilar. Osmeña, "the Sphinx," was the deepest and most philosophical of the "Big Three;" cool and calculating, he had a sagacious, statesmanlike outlook, a magnanimity, a reserve, and a dignity which compelled respect. Quezon, on the other hand, attracted popular affection. If he was mercurial, capricious, and dominating, he was the leader of action as Osmeña was the man of thought. As a consummate master of political adroitness he must rank among the world's cleverest politicians. Roxas, too, had much of the same skill in political management, so that he gained the reputation of being a brilliant opportunist. During the period of the independence agitation he clamoured that the Filipinos were writhing in a hell of foreign slavery. Later he became an equally eloquent champion of America. Like Quezon, he was a spell-binder, and he became the idol of Filipino youth. The party convention that nominated him as a candidate for the Presidential election of 1946 acclaimed him as "*The Leader*," the "saviour," the "redeemer," "the strong man of the hour." He was more than a demagogue, however, since an impartial historian like Professor J. Ralston Hayden could write that as a Speaker of the lower House he 'proved to be a man of brilliant intellect and powerful personality.' He also distinguished himself as an economist with a wide knowledge, a capacity for acute analysis, and ability in constructive planning. He ranked with Laurel and Claro Recto as a constitutional lawyer, and played a leading part in drawing up the constitutions of both the Philippine Commonwealth and the puppet "Republic."

An all-round brilliance was, indeed, the most notable characteristic of the late President. At 21 he topped the Philippine bar examination. He prospered in law practice and as a Professor of Law. At 27 he was the Governor of his province and carried through a vigorous programme of improvements as an administrator. He made his mark in politics quickly as a protege of Quezon, and soon became one of the "Big Three." As partner with Osmeña on the "Osrox Mission" to Washington he helped to secure the first Independence Bill, which was quashed by Quezon. Splitting with Quezon he joined Osmeña in opposition, lost the Speakership as a

result, but later joined the Quezon Cabinet in 1938 as Secretary of Finance, resigning in 1941 to be elected Senator. As an expert on finance and economics, he served on the Joint Preparatory Committee that reported on the adjustment of the Philippine economy to future independence, and headed the National Economic Council and the National Development Company. David Boguslav, then *Christian Science Monitor* correspondent, considered that Roxas was "a first-rate, top-flight economist."

So far the career of the versatile Roxas had been largely one success after another. It was the war period which clouded his record with ambiguity, made him a controversial figure, and led to his playing the new and vital role of leader of the movement for reindatement of Japanese collaborators. The first part of his war record was straightforward and honourable. On the outbreak of war, as a major on the Philippine Army Reserve, Roxas immediately volunteered for duty. He was appointed aide to General MacArthur, thus creating an association that stood him in good stead later and helped to determine the pattern of Philippine history. Soon, as a lieutenant-colonel, he was also assigned the duty of liaison officer between Quezon and MacArthur. As such he saw active service at Bataan and Corregidor. Escaping to Mindanao, he was captured by the Japanese and imprisoned in Casisang Camp until the close of 1942, when he was shipped to Manila. In his Manila home, but under Japanese guard, Roxas refused to collaborate for over six months despite Japanese pressure, feigning illness as an excuse. This stand made him nationally popular.

But in June, 1943, he accepted membership of the Preparatory Committee on Philippine Independence, and helped Laurel and Recto draft the constitution of the puppet Republic, which was inaugurated on October 14, 1943. Roxas then retired from the political scene until he accepted, in April, 1944, the chairmanship of Laurel's Economic Planning Board and the BIBA, the food collecting agency. In August Laurel gave Roxas the rank of Minister without portfolio in his puppet Cabinet. When the Cabinet met to declare a state of war with the United States, Roxas absented himself, but President Laurel announced the assent of his missing Minister. In December, 1944, after the American landings, the puppet Cabinet moved to the mountain city of Baguio. In April, 1945, General MacArthur announced that the American liberating forces had "rescued" Brigadier General Roxas and "captured four members of the collaborationist cabinet." These "puppet officials" were sent to prison in remote Palawan. Roxas resumed duty on MacArthur's



staff. From this vantage point he defended the collaborators, including Laurel, and began a campaign against President Osmeña.

Such are the established facts. To them must be added a long official statement issued by General MacArthur in May, 1946, when Roxas after his election as President stopped to see the General in Tokyo whilst en route to Washington. MacArthur said: "Roxas is no collaborationist. I have known him intimately for a quarter of a century and his views have been consistently anti-Japanese. After General Wainwright's surrender, I eventually established contact with Roxas from Australia, and thereafter he not only was instrumental in providing me with vital intelligence about the enemy but was one of the prime factors of the guerilla movement." Roxas himself declared that he had never collaborated with the Japanese except under duress, that collaboration was a "myth," and that he was actually the head of the underground resistance of the guerilla movement. In a blurb biography entitled "And Now Comes Roxas", by a Filipino journalist named Eustos, a detailed apologia is given for Roxas's war record. It is a clumsy and naive effort, but interesting for its interpretations of Roxas's actions and motives.

On the other hand, a contradictory picture is painted by Hernando Abaya in his critical "Betrayal in the Philippines," by Seeman and Salisbury in their IPR pamphlet "Cross-Currents in the Philippines," and by many other commentators in both the Philippines and America. This crowd of witnesses point to many statements and actions of Roxas as all indicating genuine collaboration with the Japanese and the puppet government, including his manifesto to the Mindanao guerillas asking them to surrender to the Japanese, his part in drafting the puppet constitution and assenting to the war declaration against America, and his denunciation of the guerillas for obstructing the collection of food for the Japanese which he was securing as head of BIBA. In this bitter controversy sets of different facts are alleged, and in Manila itself I found recently that views and "facts" varied widely according to the political opinion of the speaker. It is still impossible to unravel the tangle so as to discover the truth, much less to judge the intangible factor of motives.

Roxas was the focus of the dissension which split the Philippines on the collaboration issue and made the 1946 Presidential election one of the bitterest in Philippine history. For it was Roxas who, "liberated" by MacArthur, led the collaborationist forces. His "liberation" plunged the Island into confusion, since his "clearing" led to the conclusion that Laurel, Vargas, and other fellow members of the puppet government were equally guiltless. It hamstrung action



by President Osmeña, who was torn between his policy of bringing the collaborators to book and his desire for national unity. The extreme difficulty of the issue was shown by the personal case of Osmeña himself since one of his sons had collaborated with the Japanese, whilst another son had been executed for refusing to submit to them. The collaborationists claimed variously that they had acted under duress by the Japanese; that they often had no choice but to obey instruction under pain of death or torture for themselves and their families; that they took office to help the Filipino people and to prevent either a direct Japanese rule or government by genuine pro-Japanese elements such as the traitorous Ramos and Ricarte. Roxas and Laurel both claimed, too, that they were obeying the instruction of President Quezon. On the other hand, the guerilla fighters who had endured hardship and daily risk of death in their armed resistance felt, with natural and intense bitterness, that those who had worked and aided the Japanese were traitors who had betrayed their country. They felt that collaboration sullied the proud record of their own endurance and the gallant stand of the "Filamerican" Army on Bataan.

If the Filipino people were bewildered and divided on the issue, their confusion was not clarified by the contradictory aspects of American policy. President Roosevelt had been clear on the point that collaborators must be removed from office, tried, and punished if found guilty. President Truman confirmed this policy, and Secretary of the Interior Harold L. Ickes issued a strong directive, in September, 1945, to President Osmeña to carry out the Roosevelt statement. Mr. Ickes also broadcast to the Philippines his faith that Osmeña and the Filipinos "will finally, coldly and relentlessly cast out those few timid, craven and opportunistic helots who basely collaborated with the cruel enemy who sought to enslave their people." Osmeña had been given his cue. But it was not so easy to follow it when other American actions were against the Roosevelt policy. For MacArthur had cleared Roxas. He had also forced Osmeña to act against his conscience in summoning the Philippine Congress which had been elected in 1941 just before Pearl Harbour and so never functioned. Osmeña was against calling this Congress to session, since of its 24 Senate members 14 had collaborated, and of its 98 House of Representatives members 31 were collaborators. No less than 14 Congress members, including leading Nationalist figures, were under arrest by the American Army. But MacArthur wanted Congress to meet, and his headquarters issued a directive classifying collaborators which let Congress members off compara-

tively lightly. When Congress met, Roxas was elected Senate President and took the offensive against Osmeña by declaring that all collaborators with the Japanese had really "resisted the enemy." MacArthur went further by personally addressing the Congress and appealing for unity—an implicit appeal for dropping the collaborationist issue. Finally, before the 1946 elections American High Commissioner McNutt issued a statement that the U.S. Government was neutral, neither supporting nor looking "with disfavour" on any candidate. In itself unexceptionable, the declaration cut the ground from under the feet of the Osmeña supporters who had claimed that the election of Roxas, a collaborator, would be regarded unfavourably by American opinion and jeopardize Philippine hopes of American aid. In effect, therefore, it was a blow to Osmeña, a trump card for Roxas.

The victory of Roxas in the Presidential election was a triumph for collaborators. Or rather, it set the seal on a victory already half won. For the American Army had already imprisoned such leading guerilla fighters as Luis Taruc and Alejandrino. The puppet constabulary and landlord civil guards has massacred a number of peasant guerillas who had been forcibly disarmed by the Army. The collaborationist Congress, led by Roxas, had forced Osmeña both to put collaborators in influential positions and to banish to Washington such leaders of the resistance movement as Tomas Confesor and Tomas Cabili, who were strong anti-collaborationists. Osmeña, aged and ailing, had been hesitant and vacillating. Facing tremendous problems, he had got little help from the American authorities and had been impeded by the intrigues of the Filipino politicians. It was characteristic of "the Old Man," however, that he refused to neglect his duties as President in order to wage an electoral campaign personally. He made only one speech, and in it he calmly refused to make any demagogic promises or to abuse his opponent. Roxas, however, was lavish in his promises to all sections and interests; he abused Osmeña and vilified his government. His oratory created great popular enthusiasm, and even liberals who disagreed with his policies voted for him as the strongest man for the critical times.

Considerable progress, indeed, was made in national reconstruction under President Roxas. This was produced very largely, of course, by the inflow of hundreds of millions of dollars from the United States to pay for American Army and Navy services and constructions, war damage, soldiers' pay, and veterans' pensions. In a dollar-hungry world the Philippines has been treated to a veritable

feast of dollars. This abundance of cash resources has stimulated economic activity, so that in 1947 the Philippines enjoyed the largest volume of foreign trade in its history, with record imports. Exports of copra rose from 265,148 long tons in 1941 to 782,077 tons for 11 months of 1947. There was marked progress in building construction, public works, and communications, in corporate investments and credit expansion. The 1947 year closed, according to the February 1948 issue of the authoritative *American Chamber of Commerce Journal*, "with the market well-stocked with food, textiles, and wearing apparel," and an upward trend of general business conditions. Some success was recorded in "the war against inflation," since the cost of living index of a wage earner's family in Manila, with 1941 as 100, which had risen to 751 in July, 1945, had dropped to 343 by December, 1947.

In his first year of office President Roxas had secured an American loan of 150 million pesos and an agreement which made available to the Philippines 1,274 million pesos worth of American surplus property. He reorganized much of the governmental machinery and established a Rehabilitation Finance Commission with wide powers over economic reconstruction. A department of foreign affairs was inaugurated, Filipino representatives were sent to a number of countries, and treaties of amity were signed with the United States, China, and Spain. Banditry and lawlessness were reduced in some areas. An attempt was made to grapple with the fundamental agrarian problem by means of expropriating some large estates for distribution of land to the tenants and by passing the Tenancy Act to raise the tenant's share of his harvest from 60 to 70 per cent. An extensive and detailed blueprint for a national programme of industrial rehabilitation and development was drawn up in the important Beyster Report. The security of the new Republic was protected by the "Military Assistance Pact" with the United States providing for American air, naval, and military bases in the Philippines. The collaboration issue was largely settled by the amnesty which Roxas declared in January, 1948. Credit for much of the Republic's accomplishment must undoubtedly go to President Roxas personally.

On the other hand, I found in Manila this March a general sense of disappointment in the Roxas regime, even amongst the President's supporters. It was felt that he had not turned out to be "the strong man" who had been promised. Indeed, it seemed that the lavishness of his election promises was one cause of the disillusionment. More than one Filipino compared him unfavourably

with Quezon, and deplored the loss of the dynamic vigour which Quezon had symbolized. One newspaper even pictured Roxas as the fabled monkey who "sees nothing, hears nothing, and smells nothing." Not even his most savage critic could ever have said that of President Quezon. Another familiar criticism was that he was the tool of American big business, to whom he had "betrayed" the Philippines.

It is true that an analysis of the present economic position shows that it is not as rosy as it appears at first blush. Behind the impressive volume of foreign trade for last year, for instance, lies the disquieting fact that exports accounted for about only one-third of this amount, making for a large adverse balance to be added to that of 450 million pesos in 1946. Although copra and hemp production were comparatively good, exports from sugar—the most valuable pre-war crop—were less than one-quarter of the 1941 figure, whilst recovery has lagged seriously in the mining, tobacco, and embroidery industries. Despite wage increases the wage level still has not caught up with inflated prices, causing labour unrest and a number of strikes. Last year the Director of the Bureau of the Census and Statistics pointed out that real wages, apart from inflated nominal wages, were then only about half of the prewar wages. Owing partly to war losses of work animals, partly to civil warfare, agricultural production has not made adequate recovery.

The two chief charges against the Roxas regime seem to have been its failures to deal effectively with lawlessness and official corruption. Whilst I was in Manila President Roxas, on March 8, issued a statement outlawing the Hukbalahap,\* which was an implicit recognition of its continuing strength. The persistence of the Huk, with the civil warfare it involves, appears to be due to unskilful handling of the movement by the Secretary of the Interior, popular support aroused by some indiscriminate reprisals of the constabulary and "civil guards," and the discontent of the Central Luzon peasants at the failure of landlords to observe the 70-30 crop sharing enjoined by the Tenancy Act. Thus even to-day the Huks operate by seizing vehicles on the road between Manila and Clark Air Field, only fifty miles away. Thus I found I could not travel from the international air port to the capital city after sunset because of an American Army curfew. Even in the suburbs of Manila jeeps and cars are held up at night, the occupants robbed, and the vehicles stolen. Armed robbery and crimes of violence now are frequent

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\* For an account of this peasant guerilla army see *The Australian Outlook*, Vol. 1, No. 2.

in Manila, although in the old days it was the most orderly of cities, just as the Filipinos were noted as a charming, kindly, and peaceable people. "The sanctity of human life," Roxas himself declared in 1946, "is much discounted. We have become callous to death and violence."

It was the President himself who also said: "We must face the truth that the dry rot of enemy occupation has eaten deep into our moral fibre . . . The virtue of honesty, having little survival value under Japanese rule, has gone much out of use. Many of our people have come to accept the easy advantage of bribery, of evasion, untruth, graft, and even corruption. . . There is altogether as much a sickness of soul as there is a blight of physical destruction upon our land and our people." Perhaps the best example of this moral deterioration is the simple fact that the Philippine Congress, which had been elected in 1941 but never met, at its second session in 1945 voted itself three years' full salary as "back pay" for the occupation years, amounting to 31,600 pesos for each member! When public and press protested at this barefaced robbery by collaborators who had already been paid for work for the Japanese, the Speaker cried: "What if it is immoral? Everything is immoral nowadays!" Confidence in the Government was further undermined by charges of widespread official corruption and scandals over the sales of American Army surplus property. This demoralization offered a contrast to the high morale of the people in the pre-war period. Even his political opponents admitted to me that President Roxas was himself a man of complete integrity, but he was popularly blamed, perhaps unfairly, for weakness in not cleaning up the Augean stables of an odorous administration. Such a task requires, it seems, nothing less than a political Hercules. It will take time to achieve moral as well as physical rehabilitation in the war-damaged Philippines, and a formidable responsibility faces Elpidio Quirino, the new President.

*Note: Roxas is pronounced as Ro'has.*

## The Burma Constitution.<sup>1</sup>

"The Republic of Burma will be a State founded on the principle of a new war-born democracy, not the old time-worn democracy of the Anglo-Saxons," declared Maj.-Gen. Aung San at the Anti-Fascist People's Freedom League (A.F.P.F.L.) Convention in Rangoon in May, 1947. Aung San revealed that the draft Constitution, submitted to this convention, was modelled upon the Yugoslav pattern while the idea of the Chamber of Nationalities was taken from the U.S.S.R.

Notwithstanding this manifest rancour against Anglo-Saxons, and the clear evidence that the Constitution of the Federative People's Republic of Yugoslavia, proclaimed 29th November, 1945, was the guiding model, it remains true that the Burmans devoted much attention to the constitutional theory and practice of the western democracies. This may account for the omission by the Burmans of some of those features, harsh and forbidding to the western view, of the Yugoslav document, itself an adaptation from the U.S.S.R. constitution.

The Yugoslav Constitution, drafted for the Anti-Fascist Council of National Liberation by its experts, Dr. Jovan Djordjevic and Dr. Konstantinovic, differed only slightly from that of the Soviet, providing as it did for greater centralisation and denying the right of secession to the Federative Republics. The Burmans, however, have followed neither the Yugoslav pyramidal system of "people's committees", the embodiment of supremacy in a Praesidium with power to issue "decrees" (Article 74), nor the establishment of such a menacing power as that of the Public Prosecutor (Articles 28, 122, 123).

In Burma, as in Yugoslavia, a national liberation movement, the A.F.P.F.L., was the driving force behind the drafting of a Constitution as the basis of a new and independent State. An A.F.P.F.L. Committee of constitutional experts, advised by U Chang Tun, and assisted by Mr. P. N. Rau, constitutional adviser to the Indian Government, prepared the draft.

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1. This article has been contributed by a graduate of Sydney University, who has been concerned with South-east Asian affairs.



Following the London Agreement of 28th January, 1947, a Constituent Assembly had been elected in Burma in April, 1947, to draw up a constitution. The A.F.P.F.L. dominated this Assembly, and by the League's May convention a draft had been produced.

The Burma Constitution, adopted by the Assembly on 24th September, 1947, came into operation on 4th January this year when the British withdrew. U Tin Tut and U Chow Mien had made a study of continental constitutions, notably those of France, Yugoslavia, Switzerland and Czechoslovakia. Shaping influences apart from those already mentioned were the experience of the Swiss Standërat in reconciling racial and religious groups, British Parliamentary practice, the positions of the French and American Presidents; while the Union flag was avowedly based on the banner of the Chinese Republic. There was an early interest in the constitutional positions of Eire and Australia, especially while the likelihood existed of Burma remaining within the Commonwealth. By contrast with Siam, where the monarchy survives, and with Yugoslavia, where the Skupshtina summarily abolished the Kara-georgevitch dynasty, the pathetic descendants of Thibaw in Burma represented no force or threat to be seriously considered.

### **The Form of State.**

Burma is a unitary State described as a "Sovereign Independent State" and known as the "Union of Burma". The Union consists of Burma proper and three "Constituent Units": the Shan States (former Federated Shan States and Wa States), the Kachin State (former Myitkyina and Bhamo districts), and the Karenni State (formerly the Karenni States of Kantarawaddy, Bawlake and Kyebogyi). Kaw-thu-lay, consisting of the Salween District, constitutes a Special Region.

### **President, Parliament, Government.**

The President, elected by both Chambers in joint session, for a term of five years, is, as in the United States, the head of State (Article 45), with the executive authority vested in him (Articles 59, 121). The Constitution allows him little discretion in summoning, proroguing and dissolving Parliament. (Article 57). He is required to exercise his authority on the advice of the Union Government.

The legislative power of the Union is vested in the Union Parliament consisting of the President, a Chamber of Deputies and a Chamber of Nationalities, the normal term for which Chambers is four years. (Article 65). Both Chambers may initiate legislation,

but the Chamber of Deputies, like the British House of Commons, has sole control over any Bill specified as a "money Bill". (Articles 103-108).

Also on the British model is the principle of Cabinet responsibility. The President appoints the Prime Minister who nominates his Cabinet. (Article 56.) The Prime Minister may resign at any time he ceases to retain the support of the majority in the Chamber of Deputies, the whole Ministry thereby being dissolved. (Article 120).

### **Provision for the Minorities.**

Ingenious arrangements have been made to reconcile unification with the demands of the minorities. There are specific guarantees of representation in Parliament and Cabinet; use has been made of the telling symbol of a Chamber of Nationalities; and some measure of local autonomy is allowed in the functions of the State Councils.

In the Chamber of Deputies (230) minority representation is Shan 24, Karen 24, Kachin 12, Chin 4, Karenni 2. Of the 125 seats in the Chamber of Nationalities there are 25 Shan, 24 Karen, 12 Kachin, 8 Chin, 3 Karenni and 53 from the rest of the Union—giving the combined minorities a majority. (Second Schedule.) The Union Cabinet must include one each of Shan, Kachin, Karenni, Karen and Chin members. All members of Parliament representing the Shan, Kachin and Karenni States constitute the respective State Councils of those States; likewise there are Karen Affairs and Chin Affairs Councils. Article 180 contemplates the eventual formation of a Karen State. Any State (except the Kachin) is formally given the right to secede from the Union. (Chapter X).

### **"Fundamental Rights."**

There is a statement (Chapter II), reading much like the Yugoslav Articles 21 and 27, guaranteeing "fundamental rights" of justice, equality, freedom of speech and assembly, and the like. There is not the same chastening emphasis, as in Yugoslav Article 32, on citizens' "duties."

While freedom of religion is guaranteed, "the State recognises the special position of Buddhism as the faith professed by the great majority of the citizens of the Union." (Article 21.) This, contrasting with the establishment of Buddhism as the State religion in Article 4 of the Siamese Constitution, represents a concession in Burma as against the stern anti-religion Yugoslav Articles 25 and 37.

There is but one citizenship throughout the Union. Members of the immigrant population born in British territory may elect for citizenship rights if they have resided for not less than eight out of the past ten years within the Union. This has special reference to the acute Indian problem, which remains the cause of friction and subject of current negotiations.

As with Yugoslavia, there is male and female suffrage at 18 years. (Article 76.) Equal pay for the sexes is postulated, while the State makes provision for free and compulsory primary education.

The Union Judiciary shows the influence of western example. (Chapter IX.) The Chief Justice and the other judges are appointed by the President in consultation with the Prime Minister and with the approval of both Chambers.

### **Economic Provisions.**

The Prime Minister, in moving the final adoption of the Constitution, had pointed out its pronounced "leftist" trend with the aim of prosperity for the rank and file. This is borne out in the economic provisions, where the influence of Yugoslav Articles 14, 18, 19, is evident. Although rights of private property and private initiative are admitted, there are provisions to prevent the exercise of these rights "to the detriment of the general public." (Article 23.) There are likewise provisions for nationalisation and anti-monopoly measures "in the public interest". The final ownership of land is vested in the Union, and large holdings are prohibited. (Article 30.) The State is amply provided with the means of initiative and regulation in the economy, while the mass appeal of legislating for maximum working hours, annual paid holidays, and such amenities rather foreign to the East, is not overlooked. In this respect, Article 31 is practically identical with Yugoslav Article 20.

Amendment of the Constitution is by not less than two-thirds majority vote by both Chambers in combined sitting.

### **Conclusion.**

The Burma Constitution already has evoked comment and speculation, with praise for its "flexibility", "up-to-dateness" and so on. It still remains to be seen what realities will operate behind the constitutional façade of democracy and socialism. The Constitution is, like its inspirations, a sharp manifestation of the symbolism of the "mass state" of anti-bourgeois inclination. Time alone will show what noble aspirations are translated into equally noble achievements.

## Some Notes on Iran and Oil.

*Duncan MacCallum.*

The current antagonism between the United States of America and the Union of Soviet Socialist Republics has directed attention to the countries comprising the "rimland"—the borderland of the Russian heartland—extending from Eastern Europe through the Middle East into Asia.

Iran, or Persia, is one of these. The interest of other powers in it is enhanced by its rich endowment of oil, to exploit which the Iranians have not the technological skill and equipment. But before oil was discovered there, Persia, as it then was, was one of the points of rivalry between Czarist Russia and an England anxious for the security of her lines of communication in Suez and the Middle East and the Indian portion of her empire. The Czars had traditionally wanted a warm water port and the Persian Gulf was a possible outlet on the long axis of the Russian border. Czarist Russian policy in Persia has to be interpreted in the light of the Anglo-Russian position in Asia and the Balkans as well as locally. An agreement between England and Russia in 1907 delimited their respective spheres of influence giving Britain the southern sphere of Persia and Russia the northern sphere. In 1921 the Soviet Government in a treaty with Persia appeared to renounce all the capitulations and exploitative arrangements of its Czarist predecessors—though this apparent generosity can be interpreted as a tactical withdrawal with regard to the domestic situation and to ideological propagandist motives. Major British interest in Iran oil started when, in 1913, the British Government, when Mr. Winston Churchill was First Lord of the Admiralty, acquired a controlling interest in what is now the Anglo-Iranian Oil Company, mindful of the importance of the supply of oil for the British Navy which had recently been converted to oil burning. While the commercial activities of the Company are not interfered with by the British Government, it seems that the Government has given it strong diplomatic support in major commercial questions and problems of preserving its concessions.

The Company has exploration and development rights over much of south western Iran under the Charter of 1933. Oil fields have been developed at Masjid-i-Sulaiman (120 miles north east of Abadan), at Haft Kel (south west of Abadan), Agi Jahri, at Gach Saran and more recently at Lali to the north east of Masjid-i-Sulaiman. The first four are the main fields. Agha Jahri is being developed, Haft Kel extended. Pipe lines carry the oil to the refinery at Abadan which is being extended. The agreement with Standard Oil of New Jersey and the Socony Vacuum Company is expected to ease a shortage of equipment. The companies are to collaborate in the construction of a pipeline from the Persian Gulf to the Mediterranean.

After a dispute in 1932 between the Iranian Shah and the Company, finally adjudicated by the League of Nations, royalties were increased, and another increase was reported in 1941.

In 1941 the Russians and English occupied Iran fearing the success of a German plot, and on a wider basis anxious to secure Persian Gulf oil and communications to Russia against German aggression. The old Shah left the country and was succeeded by his son. In 1943 at Teheran, Stalin, Churchill and Roosevelt stated "their desire for the maintenance of the independent sovereignty and territorial integrity of Iran."

The new factor in the Persian situation which helps to explain recent events is the entry of the Americans into the Middle East. An early concession had been refused by the Standard Oil Company and in 1921 an American company had been awarded a concession in the north of Persia, but, because of involvement with the A.I.O.C. and an American domestic scandal and competition between American companies as well as a dispute as to title in Persia, the concession did not become effective. In 1938 a subsidiary of Standard Oil withdrew from a concession obtained only in 1937. But American companies appeared in 1944 seeking concessions.

But over several decades the American oil companies have been more directly involved in the Middle East through such factors as (a) the American penetration with strong diplomatic support into the Iraq Petroleum Company, (b) the presence of the Americans in the Middle East during World War II and on the Middle East Supply Council, (c) the American oil development of Saudi Arabia. This concession was obtained about 1933 but the first oil was produced in 1940. The region has very great reserves of oil, 5 billion barrels compared to Iran's 6 billion, and the unproven reserves are greater. The daily production in Iran in 1946 was 420,000 bar-

rels compared with 200,000 in Saudi Arabia. This inspired De Golyer to say, "The centre of gravity of world oil production is shifting to the Persian Gulf . . . Iran and Saudi Arabia vie for first place." The Saudi Arabian concession has led to pipe line proposals involving the United States Government directly and the United States Navy in a greater interest in the Middle East generally which is not confined to Palestine, where it is reflected in conflicts over partition policy. The Truman programme of Aid to Turkey was debated with Middle East oil in mind. It may be assumed that the Marshall plan for European aid would enhance American interest in the Middle East since an increasing percentage of oil for the European Recovery Programme (about 40 per cent, soon rising to over 80 per cent in 1950) is to come from the Middle East. Even in 1946, 15 per cent of the oil used in Europe came from the Middle East, and the United States is increasingly sensitive about the size of its oil exports.

This increased interest in the Middle East can be regarded as part of the general expansion of American influence in the American Century, especially where the United States is taking over Britain's mantle, and it is also connected with the shortage or widespread fear of shortage of oil in the United States. Even though there may be alternative sources of power such as coal hydrogenation and now perhaps the turbine engine, there seems no doubt that important members of the American Administration are concerned about the fuel position. The present Soviet-American tension has resulted in the fear in the inadequacy of reserves, not only for peaceful use, but also for war. The strategic motive in American interest would logically vary with the availability of fuel substitutes, but there is a negative long run one of depriving possible enemies of a position in the Persian Gulf and of its oil. The short run interest is to safeguard the resources for the Marshall plan as well as to prevent Russian access to Turkey and the Dardanelles.

The American interest in Iran itself was expressed not only at the Teheran Conference but in the presence for two years of Dr. Mills-paugh as financial adviser to the Persian Government, the American activity in the 1946 hearing by the Security Council of Iran's complaint, and an American military and police mission in Iran. Some American oil companies are now directly connected with Iranian oil by virtue of the 1947 agreement in connection with the marketing of Anglo-Iranian's oil.

The basis of Soviet policy in Iran can perhaps most correctly be regarded as the continuing search for a warm water port and as part



of a basis for a general foreign policy, the mixture of ideological crusading for realistic ends and the motivations engendered by John Fischer's "scared men in the Kremlin," with the pathological fear of the Western world and the possible canalising of domestic antagonism into the foreign policy. It is not clear<sup>1</sup> whether Russia is short of oil. It was at one stage suggested she would be interested in Middle East oil arrangements as an exporter. However, increased industrialisation in Russia, the repair of damage and the military situation may have given her a positive interest in acquiring more oil. Even if the Soviet is not short of oil she would resent the Anglo-American expansion compared with her own. She doubtless feels that Batou and Baku are exposed to an attack if Iran is in enemy hands, just as England, apart altogether from her dollar shortage and the importance of Iran oil to her, would fear for Iraq oil if a potential enemy dominated Iran.

England was of course concerned with Iran more vitally and earlier than America. It seems that England is building up strength and influence in North Africa but not to the exclusion of an attempt to stay in Iran and Iraq<sup>2</sup>. In recent events America has taken the initiative in opposing the Soviet Union but there are signs that England, unwilling to anger nationalist elements in Iran, has attempted on some occasions to modify American policy.

In 1944, alarmed by the reports<sup>3</sup> of British and American activity in seeking new oil concessions in the Persian Gulf regions and on the Iranian coast of the Arabian Sea, the Soviet Union sought concessions in the north and offered to guarantee an immediate payment to Iran to allow technical inspection, to supply oil products to Iran and eventually to hand over the establishment ready to exploit. The Iranian Cabinet's decision was treated as a refusal by the Soviet.<sup>4</sup>

1. S. M. Friedwald writing in *Russian Review* (2) Penguin, 1946, pp. 72 et seq., sees the Soviet as a potential exporter. For the view that a period of anxiety for to-morrow's oil but not of vital interest in overseas oil has set in, see *The Economist* CL-5353 30/3/46, pp. 481-2 and CLIII-5430 20/9/47.

2. E.g., Mr. Bevin's statement after negotiating the unratified pact in Iraq earlier this year. It was to be followed by treaties with other States in the M. E. See a brief article in *N.Y.T.* 22/2/48 pE5c6&7 and remarks of the British Under-Secretary for Foreign Affairs, *Sydney Sun*, 6/5/48.

3. Dr. A. H. Hamzavi, the Press Attache at the Iranian Embassy in London, strongly asserted that no negotiations had in 1944 been "concluded or virtually concluded" by the Iranian Government with Britain and American interests for oil concessions in Iran. (*The Economist*, CXLVIII-5293, 3/2/45, p. 147).

4. Saad, the former Premier, explained later (S.M.H. and A.A.P., 11/11/44) that Britain and America had accepted the delay. He promised that immediately Persia was evacuated the Russian request would be discussed "the very first and with goodwill," see *The Economist* CXLVII-5281, 11/11/44, pp. 635.

Early in December the Majlis had passed an oil bill. No member of the Government was to enter into negotiations for oil concessions with any foreign Government or with any foreign companies or sign any concession or agreement relating to oil. The Premier or Cabinet was to be allowed to discuss the sale of products as well as the way in which the Iranian Government should exploit Iran oil resources, but the Majlis must in all cases be informed. The penalty for an infringement was severe—solitary confinement from three to eight years with permanent dismissal from the Government service. The bill, rushed through the Majlis with "double urgency," was undoubtedly convenient to the Government as a demonstration against the Russian demands. Its sponsor, though not a supporter of the A.I.O.C., argued that economic concessions in this case paved the way for future political interference. His policy of "negative equilibrium" made possible a compromise offer to Russia to resume talks on the basis of oil sales from northern Iran. The oil conflict merged into that for the control of the north regions of Azerbaijan and Kurdistan. Some deputies who had unsuccessfully opposed the bill had argued that the A.I.O.C. concession in Iran should be cancelled. The debate showed a nationalistic awareness of the dangers of the predominance of foreign economic enterprise.

As early as September, 1945, in spite of the refusal, Russian prospectors had been reported to have begun boring at three places in Russian occupied territory—at Bandar Shan near Tabriz, and at Shahi near the Caspian. In 1946 some wells were said to be so advanced that they were ready to produce oil at the turning of a switch.

During 1945 the Azerbaijan revolt broke out in Iran. In August the Azerbaijani formed a New Democratic Party and in October a Congress demanded provincial autonomy in economic matters and education and health. The platform included a demand for the confiscation of the property of all absentee landlords and control of the activity of all state officials. Iran's central Government was weak, about to face elections and was prevented from making changes in the Russian-occupied zone. The Iranian Government had already asked for the withdrawal of foreign troops. The Americans agreed and suggested to the Soviet and Great Britain that they should, too. The matter was unsuccessfully discussed at the Moscow Conference in December, 1945. It was symptomatic of the general major diplomatic interests involved in the Iranian problem that the U.S.S.R. as a counter-move introduced charges against Britain's conduct in Greece and Indonesia.

The Soviet was wooing Iran. The Soviet military authorities late in January, 1946, handed over the control of railways in the Northern provinces of Azerbaijan and Kazan. The practical value of this gesture was of course weakened by the Azerbaijan revolt.

The new Iranian Premier, Quavam es Sultaneh, headed a government not of "leftists" but of landlords who thought that they could buy the Soviet off with oil concessions and personal changes and who may have seen the need for social reform.<sup>5</sup> He dismissed General Arfa, described as a "pro-English reactionary," from his post as Chief of the General Staff, as well as Ahmad Aaftari, a Minister without portfolio. There were violent attacks on the British Ambassador and the A.I.O.C. in the newspapers, and other signs of Iran's conciliatory attitude to the Soviet.

Negotiations with the Soviet centered around Soviet demands for the maintenance of their troops indefinitely in Iran, and the recognition by Iran of an autonomous Azerbaijan regime and the establishment of a joint Soviet Iranian oil company to exploit northern oil resources. The Soviet did not withdraw the troops by 2nd March, in accordance with the Anglo-Soviet-Iranian 1942 Treaty, and Molotov's promises to Bevin in September, 1945, and to Byrnes in November. Again tension boiled up between the Great Powers, not cooled by Mr. Churchill's speech at Fulton in the United States.

Even while the matter was before the U.N., Soviet pressure in Teheran continued, and an agreement was reached on 4th April covering Azerbaijan and the oil concessions. The arrangements were set out in an agreement in June, 1946. Soviet officials apparently admitted quite frankly that the concessions were in exchange for the evacuation of troops, finally completed in May, 1946.

Azerbaijan was to remain an integral part of Iran but with enough self-rule to maintain the Soviet-sponsored Democratic Party in control. The oil agreement was subject to confirmation by the Iranian Parliament, at this time dissolved. A law had been passed that elections could not be held while foreign troops were in Iran. The Tudeh party had during March successfully prevented the sitting by the Majlis by demonstrations and boycotts, apparently fearing that the Quavam policy might not be approved. The Tudeh party disagreed with this law and wanted an early election, but Government had passed to the Shah.

<sup>5</sup>. This interpretation is more meaningful than the view that "government was moving to the Left." (S.T., *Today* 6/1/46.) The Left Right concepts are even less appropriate as a satisfactory description and grouping on issues in an unindustrialised Iran than in Western society. See also *Sunday Sun. Fact* 31/3/48.

The United Nations had saved some face by getting the Iranian dispute on the agenda and showing formal disapproval of negotiations being side-tracked bilaterally away from it. On the other hand it had not substantially affected the course of events except perhaps to provide a new bargaining element for Iran. Russia had her oil agreement provisionally. This was more important than the Azerbaijan agreement, for the Azerbaijan movement collapsed when a new Government at Teheran took decisive military action at the end of 1946.

The oil agreement of April stipulated that the Soviet would hold 51 per cent of shares in a proposed Soviet Iranian company. After twentyfive years each was to hold 50 per cent. It also provided for the exclusion of all non-Soviet concerns from oil activity in the north. The interpretation of an item in the *Soviet News* suggested there were additional articles at least one of which gave the Soviet rights to import freely equipment into Iran and to export oil products, and preferential rights for the Soviet to purchase them. Quavam was said to have rejected suggestions that he grant the Soviet "oil concessions near the Turkish border where no oil is known to exist" or allow a pro-Soviet Azerbaijan Government to have "its own" security organisations, but a map published in Moscow included this area one hundred miles along the south east shore of Lake Urmia then east through Lake Shahrud and Nardin to the meeting point of the Iran, Afghan and Soviet frontiers.

Quavam announced in December his intention of submitting the agreement to the next Iranian Parliament. Meanwhile there had been a strike at the A.I.O.C. works. It seems to be agreed that the Tudeh party fomented the trouble while the question of pay rises for workers was being discussed and that the strike was primarily political. The British Government sent troops from Iran to Basra and sent British warships. Russians were said to be assembling on the Soviet northern Iranian frontier, and the Iranian Cabinet was reshuffled to ensure six members, three of whom were Tudeh party members. It was not clear whether this was a gesture to please the Soviet or to steal Tudeh supporters. At any rate the Tudeh party were critical of its members who took office and Quavam's new labour law, "by Middle Eastern standards a model," was clearly designed to win for his own Democratic Party support that had hitherto been wooed only by Moscow and Tabriz radios and their echo the Tudeh newspapers.

The Iranian Government protested against the troop movements. A little later England was alleged to be fomenting revolt among

the Quashquais and the Bakhtiari tribes who attacked the strikers and encouraged them to grab autonomy from the central Government so that the oil fields would be safe, but it was suggested that insofar as Quavam was successfully holding off the Soviet it was in the British interests not to embarrass him.<sup>6</sup> However the Kahn revolt forced the Premier to dismiss his Tudeh ministers.

The central Government was trying to placate the Azerbaijan leader Pishevari. The former Chief of Staff had been replaced by an ardent Russophile, General Johnanbani. The Government had jettisoned pro-British advisers, had arrested two deputies of the opposition, Mr. Dashti, and a leading Kurd, Mr. Samanji, and had proposed a composition of the Majlis which would give Azerbaijan one-third of membership and a minimum of forty-five.

The Iranian elections started in Iran in December uneasily with military supervision and the banning of public demonstrations. The surprisingly easy occupation of Azerbaijan may have helped Quavam who retained power quite decisively. Fewer shortages and the fall in prices after the evacuation of foreign troops also probably helped him. And there had been an excellent harvest (except in the east near the Afghan frontier). Perhaps the result was affected by revelations of graft and dissension in the Tudeh party who had announced a purge just before the elections. The elections were not complete in Azerbaijan in the north, and the southern province Fars, so the Majlis could not meet. The Quashquais, Bakhtiari and Kurds had formed a tribal block giving them about thirty seats, and were committed to cancelling the concession. Quavam knew the agreement would almost certainly be quashed. Soviet prestige had declined with the election results but Quavam's appointments had made him unpopular. Under the Iran constitution a large attendance of deputies at meetings of the Majlis was necessary for a quorum, and a group was staying away, possibly with the encouragement of the Shah. The young Shah was thought to fear rivalry by Quavam for personal dictatorial power and had even focussed some popular enthusiasm by speeches on social reform.

The Soviet showed its continuing interest in oil despite the suppression of the Azerbaijan revolt, by sending a draft treaty on the organisation of a mixed Soviet Iranian Oil Company to be submitted to the Iranian Majlis and signed. The American Ambassador by implication warned the Soviet that America was not concerned

6. *The Economist* CLI—5369 20/7/46 suggested that the strikers attacked local Arab inhabitants. (*The Economist* CLI—5389 7/12/46 p. 904). See also *The Middle East Journal* 1-1 Jan. 1947, p. 78c2, p. 79c1.



about commercial proposals (presumably he meant the oil agreement) but he was concerned when these proposals were accompanied by threat of force. The British Government was said to have feared an outright refusal of Soviet demands and to have advised the Iranian Government to have kept open the door for further discussion with the Soviet. Important elements in British opinion were said to recognise that there was some economic basis in the Soviet's desire for oil as distinct from territorial influences over Iran. The British Government was reported to fear a refusal of the Soviet demands might be accompanied by a cancellation of the British concession in the south. It was said that America would support Iran up to the hilt if Iran decided to cancel leases, and felt Iran had a right to cancel British concessions in South Persia through the proper legal channels. The United States had of course no direct shareholding interest in Iranian as distinct from Iraq and Arabian oil. It seems unlikely that the United States would have been prepared, given the strategic and political factors, to agree that the open door principle be applicable to America and the Soviet alike. The British may have also feared that the Iranian Government would take a stand on the basis of American promises which the United States might not be able to execute in military terms if that became necessary.

Late in September an official spokesman for Quavam announced that the Iranian Government was ready to reject the Soviet oil proposal and placed complete faith in the guarantees of the Teheran Conference agreement, the Atlantic Charter and UNO. His words indicated a response to the American Ambassador's remarks and reflected the involvement of Iran in general world tension. "Firstly Persia does not wish to cause the smallest offence to America because we owe the guarantees of our independence to President Roosevelt and the Americans. Persians never forget favours. Secondly, now that Persia knows the world situation very clearly it is very difficult for us to co-operate with a very powerful nation—[interpreted as the Soviet Union]."

The change of political climate is shown by the banishment of pro-Soviet Prince Firouz, who fled to Baku, and by the withdrawal of licenses from the National Union and Tudeh parties.

In October, 1947, the Director of the Office of Near Eastern Affairs in the United States State Department said "the United States will give Persia upon that nation's request all the appropriate assistance within the spirit of the United Nations Charter to prevent foreign interference."



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In October, 1947, the Iranian Majlis in effect rejected the agreement with the Soviet, and opposed any further concessions to foreign powers and wanted more profit from A.I.O.C. operations but wanted Iran to explore in North Persia and, if it found oil, to report to the Majlis which could discuss selling oil to the Soviet. This was a way of allowing negotiations to continue. The Soviet sharply protested against the Iranian Government's decision and stated that the Iranian Government had treacherously violated its undertakings, that the hostile actions of the Iranian Government in regard to the Soviet Union were incompatible with normal relations between the two states. It warned Iran that grave consequences might follow and in view of the British concessions in South Persia it described the refusal as "an act of rude discrimination against the U.S.S.R."

In its rejection the Iranian Government said that since the A.I.O.C. concession was granted before Persia had a constitution, there was no possibility of consulting the Iranian people. The deputies had not approved the treaty because they regarded the Government as debarred by the 1944 law from negotiating the setting up of an oil company. In any case no agreement with Iran was valid until approved by the Majlis and signed by the Shah, so agreement was conditional. The delay had been due "to internal disorders of which the Russian Government is well aware" (a reference to activities in Azerbaijan and of the Tudeh party with an innuendo of Russian responsibility, these events delayed the quorum and holding of new elections). In spite of his resistance to the Soviet, Quavam's Government fell, largely because of a perquisite spoils system outstanding even in the Middle East. His apathy in regard to obtaining an international loan for developmental purposes and the breakaway movement from his party led by Hikemet, and probably active hostility by the Shah, combined with the Russian Note to weaken him decisively. Hikemet became Premier but only lasted a fortnight. His successor, Mohamad Hakimi, had an anti-Soviet record.

In January, 1948, it was "reliably" but vaguely reported that the Iranian Cabinet had approved information of a British-backed exploitation company to extend the oilfield.

The tension had continued with an exchange of Notes in January, February and April of this year between the Soviet and Iranian Governments. The Soviet Government protested against American military activities in Iran as being incompatible with the 1921 Treaty and later refused to accept the Iranian Government's re-

jection of these charges. The Soviet brushed aside the Iranian counter charge that the Soviet assisted rebellion against the Iranian Government, and that it was the Soviet's interference which violated the 1921 Treaty.<sup>7</sup>

The American mission had been at work for four years and consisted of Army and Air Force officers engaged both for the benefit of the Army and the Police. The initial engagement expired in October, 1947, but the engagement was renewed since the Act permitted it. The military and police missions consisted of about forty Americans. The military mission was advisory and stated by the Special Assistant for Press Relations to the American Secretary of State to be concerned with administration and training not with formulating tactical or strategic plans. The mission had been notified to the United Nations.

The juridical issues apart, it was not accidental that this Note to Iran coincided with Notes to the United States protesting against the use by America of an air base in British-administered North Africa and the visits of American warships to Italian ports, and a Note protesting against acts by American military aircraft in the Yellow Sea and the Sea of Japan. The Soviet protest, therefore, was general along the Mediterranean to the Far Eastern axis. It was also not accidental that, as the United States Ambassador pointed out, the protest came at a time when the Majlis was to decide on the proposal to buy American arms with an American loan. For some months the Iranian Government had been hesitating about using funds from external sources. Quavam, the Iranian Premier, had obtained in August, 1947, a report from a group of American engineers—the Morris Knudson report—apparently hoping that an American sponsored plan would encourage an International Bank loan. Two hundred projects were surveyed, and a developmental project costing 500 million dollars outlined. An irrigation project for the south was included costing about 135 million dollars, as were the development of the light industries such as cement, new sugar factories and processing of vegetable oils. In view of the political instability, it was thought that the International Bank would be the best source of capital. The Bank has power to exercise some supervision and presumably would have tried to correct inefficiency and low productivity by technical executives on the spot.

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7. The interpretation of clauses 5 and 6 of the 1921 Treaty became relevant here. The treaty is reprinted, with the correspondence on these sections as Appendix 2 in Hamzavi; A.M.; *Persia and the Powers*, Hutchison, London 1946.

The Iranian Cabinet was committed to a seven years agricultural plan. The difference between the estimated revenues and expenditures had to be made up by value of stocks in hand and estimated revenue from increased prices for kerosene and cigarettes. Any social development programme therefore depended on the receipt of oil royalties or a dollar loan. It may have been the difficulty of financing the seven years development plan that led the Iranian Government to consider exploiting Northern Iran itself. The developmental work moved slowly as the domestic funds for it would have had to come from taxation from land-owners, from whom the Government was mainly drawn. In the absence of proper planning and development and budgeting of expenditure, the International Bank turned down the Iranian request for a loan of 250 million dollars though a smaller loan for agricultural developments was possible. There is no disinterested public service. Quavam was singular in having a party in the sense of people joined by a programme as distinct from personal issues.

Corruption helped to spend the money which might otherwise have gone towards developmental work, and in January, 1948, Hakimi rejected an International loan as "not in Iran's best interest." The United States had offered Iran 25 million dollars for war equipment. Hakimi decided 10 million dollars would be enough and the Majlis authorised this purchase from America on 17th February.<sup>8</sup> The supplies included trucks, medical supplies, and ammunition as well as uniforms. The earlier time limit for a decision by the Iranian Government on the American offer had already expired. The Soviet Note had been successful in preventing large scale military and economic co-operation between Iran and the United States in the short run.

Merely to mention the Azerbaijan revolt, it seems that, allowing for the direct Soviet military backing, the Azerbaijan Democratic Party as well as the Tudeh party in Iran generally were able to capitalise on the support of the industrial working classes as well as the discontented intellectuals. And it was possible for the Soviet to use these border peoples to further its own policy in relations with the central Government. It is unlikely that most Azerbaijani wanted autonomy from the Iranian Government.

Any forecast of events in Iran will depend on a prognosis of

8. The recent report (D.T. & A.A.P., 31/5/48) that America would send surplus war materials worth £18m., for which Iran would pay only £3m., apparently refers to the administrative fulfilment of the agreement mentioned in the text. Hakimi said (*The Economist*, CLIV, 5458, p. 549) that Iran had applied for material to U.S.S.R. as well as to U.S.A. at the end of the war, but prices in the U.S.S.R. were too high.

United States-Soviet relations generally. It appears that the Soviet has been trying to discredit the United States military mission in Iran and to force its withdrawal. It has been said that the Soviet policy is that of the Czars with a twentieth century technique—that of exploiting with propaganda the nationalist feeling in Iran and the low-level living standards of most of the Iranian population—the restless proletariat in the carpet and oil industries for instance (the peasantry are backward but lethargic). In general terms the future may well depend on how far the Western powers manage to counteract this by assisting a broadly-based programme of economic development and ameliorating social change.

There are the difficulties of absentee landlordism, inefficient cultivation methods and a corrupt governmental machine. It may be that the major dilemma of the West in the Middle East today is to find Governments which are prepared to initiate social reform and technical modernisation without being under the sway of the Soviet, or too susceptible to its influence. The extent to which the Government is prepared to initiate domestic policy depends partly on how free it is from preoccupation with foreign policy. Its willingness to accept British and American aid and loans seems to depend on the need to maintain some neighbourly relations with the Soviet Union. On the other hand the extent to which it can take a strong line in external relations and in resisting infiltration depends on whether it is believed to be serious in its domestic policy. The problem in Iran is more acute than, say, in Saudi Arabia, because there King Ibn Saud is conscious of the problem and anxious to initiate reforms. It is hard to find a middle of the road regime so close to the Soviet border.

The outline of events in the last few years has perhaps shown the precarious balancing of the Iranian rimland on the border of the two major power groups.

*Note:* Henry A Wallace has stated in an article on "The Hushed-Up Iranian Agreement" (*New Republic*, 10/3/48, p. 11) that this agreement "provides for practically unlimited powers of intervention in Iranian military affairs by a U.S. military mission . . . it turns over Iran's entire military establishment to the U.S. Army, transforming that politically and economically weak country into an American dependency." (The text of the agreement is not available, but is Public. 2997, Treaties and other Internat. Acts, Ser. 1666, Supt. of Docs.) The exact terms of the agreement obviously affect the comment on the Soviet Notes.

The sources from which the article was written include:

Bolles, B., *Oil an Economic Key to Peace*, F.P.R. 20-8, 1/7/44. Harriman's *Report on European Reconstruction and American Aid*, and Krug's report, *National Resources and Foreign Aid*, both published Washington, 1947. Byrnes, J. F.: *Speaking Frankly*, Heineman, London, 1947; *The United States in World Affairs*, Council on Foreign Relations, Harpers, 1947; Hindle, W. H. *The Trouble*

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isn't over in Iran, Harpers Magazine 42-1149 pp 136 et seq. *The Economist* CXLV11-5285 p 771, CXLIX-5335 p 145, CL-5263 p 924, CLI-5361 p 833, 5372 p 208, CLII 5405 p 460, CLIII-5422 p 146-5443 p 1007, CLIV 5450 p 217. *The Economist* R & S Suppl. 2-42 p 354;-50 p 565, 3-56 p 105, 58 p 158. *The Middle East Journal*—most issues since Vol. I, No. 1 of January, 1947. *Current Notes* 1. 7-4 pp 217 et seq.; *The World Today* 2-8 pp 351-2, 3-1 pp 29 et seq. 3-2 p 488, 4-3 p 97. *The Department of State Bulletin* XVII-438 p 996, XVIII-450 p 223. *Current History* 19 p 104. *Petroleum* 10-16/10/47 p 224. *Petroleum Times* LI-1307 p 909, 1309 p 1012, 1311 p 1114. *The New York Times* 15/1/48 p 9 cl, 18/1/48 p 8 (Magazine), 20/1/48 p 1Cl 2, 27/1/48 p 8 c3, 3/2/48 p 1cl and p 4c4, 15/2/48 p 5 cl2. *The Sun* (Sydney) and *The Sunday Sun* 8/4/46, 4/8/46, 29/9/46. *The Telegraph* (Sydney) and *The Sunday Telegraph* 9/8/46, 18/6/47, 5/10/47, 6/2/48. *The Sydney Morning Herald* 21/12/44, 8/12/45, 30/1/46, 5/2/46, 19/2/46, 4/3/46, 6/3/46, 16/3/46, 18/3/46, 10/4/46, 18/7/46, 23/7/46, 10/8/46, 20/12/46, 30/9/47, 22/11/47.

## Book Reviews.

DEMOCRACY IN THE DOMINIONS: A Comparative Study in Institutions.  
By Alexander Brady, 1947. (University of Toronto, pp. 475).

This book will serve a very useful purpose. The comparative method of valuating institutions is one which can produce excellent results, and this is a successful example of such treatment. Professor Brady shows great care, suitable detachment and an absence of ideological prepossessions. No attempt is made to formulate any dramatic hypothesis which might throw light upon the deeper problems of social philosophy; such a treatment might have made the book more exciting, but it would have been less satisfying. It is evident that the four Dominions considered, viz., Canada, Australia, South Africa, and New Zealand, are comparable. Where differences occur, they can be ascribed to certain, specific causes which can be isolated. Anglo-Saxon peoples under the British system of responsible government tend towards Socialism, and, if Canada and South Africa exhibit a rightist complexion, it is because of racial dualism. When people are afraid of internal clash, forward policies are inhibited. We must remember, of course, that the United States Constitution does not provide for responsible government but separation of powers between executive and legislature. Such a Constitution almost imposes the philosophy of *laissez-faire* on the community. We must conclude then that the attempt to manage different races is favourable to Conservatism. An 18th Century Constitution favours Conservatism, and responsible government puts a premium, perhaps an undue premium, on change.

I have not read this book for faults or omissions but, wherever I have looked to see whether the observations is adequate, I have been rewarded. Critics of Federation have always averred that the retention of Sovereignty by the States prevents the co-operation necessary for success. It was for this reason that a unitary system was chosen for South Africa. I have no doubt that South Africa was forced to choose a unionist form of government for several sufficient reasons, but Australia has proved that Federal and State Governments do co-operate; Professor Brady notices this and gives us full credit. The amount of co-operation between the States and the Commonwealth in Australia is most extensive, and, on the whole, I should judge that the result is more satisfactory than in South Africa where the provinces are subject to the legislative and executive power of the Union. States with legal independence do, of course, bicker; they always force the Federal Government to prove its case; but they have co-operated in Australia to an enormous degree.

The British form of responsible government has apparently won its way among all the alien people of the Commonwealth. This acceptance is a striking testimony to its efficacy in articulating public opinion, in giving expression to various points of view, and yet securing decision.

Professor Brady makes no attempt to support his views by statistical comparisons. I realise, of course, that these are not always sound guides and that, unless one makes sure that basic statistics are prepared in the same way, they may



be misleading. I should have thought, however, that this common foundation could be found for a comparison of the statistics of the various Dominions. If not, Mr. Colin Clarke should be called in.

My observation is illustrated in the section on Australia (p. 221) where Professor Brady expresses the view which I believe to be correct, namely, that, in the statutory corporations which run many public services in Australia, financial independence is the primary guarantee of administrative efficiency. Wherever the enterprise has a separate budget and provides a service that can pay for itself without public subsidy, its management becomes relatively free from disturbing political pressures. When dealing with the South African Railways, however, Professor Brady shows that the Act provides for management by a Board presided over by a Minister of State. This is, of course, political management. One would like to see, therefore, the financial results and compare them with those of the Australian services. It is some years since I have seen any comparison, but my recollection is that the South African Railway position was exceedingly sound. One reason for this was that the management made ample reserves for depreciation and obsolescence; this is not so in Australia. Another reason may be that, in South Africa, there is a large inland centre of population requiring long hauls two ways, while our population is concentrated near the coast.

Professor Brady's survey shows that collectivism always appears when certain conditions favour it. South Africa has recently nationalised her steel industry, and Canda has a huge State electricity undertaking. The question to be asked is not whether collectivism is scientifically or morally right, but whether a government can successfully deal with the problems of political pressure which collectivism involves. But, if we look at the political situation in the United States, we shall see that political pressure is a far more pervasive evil than it is in the Dominions, so that *laissez-faire* does not solve this problem.

There are only a few political leaders who do not realise that collectivism is a liability rather than an asset to political parties in office, and that to change from private enterprise to state management achieves few economic or social objectives. The policy which is more likely to produce results in the future is a policy of economic control through various agencies, including a Central Bank. On the whole, these have operated during the War and the post-war period with singular success, both in Australia and Canada, and these successes were achieved without undertaking awkward administrative responsibilities. The difficulty seems to be that, when a Labour Party, such as the British Labour Party, has been out of office for a long period, there is an urge for it to make some speedy achievements, and nationalisation is an obvious card at hand. The disillusionment it always produces in the long run may be left to successors.

It is fascinating to note the similarities and differences between the various systems described. I note that, in the Dominions, Speakers are elected at the commencement of each Parliament and have to submit themselves to opposition in the Electorates. We are not told how the office stands up to the strain. The weakness of Speakers is the main reason for the poor quality of Parliamentary discussions in many Parliaments, but Professor Brady is too discreet to say whether a Speaker has yet been found who is strong enough to control interruptions and irrelevancies and yet able to convince the Members of his impartiality. I agree with the author that it is not necessary to disparage the quality of Parliamentary representation in the Dominions, whether in administration or discussion. Where policies of collectivism and collective control are pursued, however, politics becomes a learned profession and there is little evidence that Members of Parliament

are aware of it. I have heard many debates and see no evidence that Members read or consult the advice of experts. Every political organisation should have its experts and advisers. This is not the rule in Australia, and the Government has thus a conspicuous advantage, for it usually has the command of a magnificent corps of experts. During my travels, I have met a great many Parliamentarians from a number of different States, and my opinion is that the intellectual quality of elected persons does not vary very much. The most striking contrast is in their clothes—some dress better than others.

—F. W. Eggleston.

POSTWAR PROBLEMS OF MIGRATION. Papers presented at the Round Table on Population Problems, 1946 Conference of the Milbank Memorial Fund. New York, 1947, pp 173.

The book touches on problems which are of particular interest to Australians at a time when the Commonwealth Government has launched upon the most ambitious immigration scheme in the history of this country. The Government has cast over Britain and large areas of Europe a wide and elaborately woven net in which it hopes to "catch" 70,000 migrants a year. But Australia is not the only power interested in this "fishing" expedition, for which reason the study of the aims of other countries and of the overall prospects of European emigration should be the concern of both the protagonists and critics of the present government's policy. But the Australian reader of this book should not expect an exhaustive treatment of the subject; what he is served with is a series of eleven essays, four of which deal with international aspects and the remainder of which are devoted to the United States scene. Australia, indeed, received mention in only two paragraphs; but even so the discerning reader will find that these essays throw considerable light upon the problems of his own country.

For example, so long as "White Australia" remains the corner-stone of our population policy "Migration and the Population Potential of Monsoon Asia," which is the subject of the first essay, must be of vital concern to Australian readers. Here Dr. Taeuber admirably summarises the complexity of the Asiatic problem, and emphasises the fact that no single factor, whether it be industrialization, frontier expansion and pioneer settlement of the variety attempted by Japan in Hokkaido, or international emigration, can solve the problem of overpopulation. Accompanying any one of these measures, or any combination of them must be an attack on the question of unrestricted fertility. An attack on poverty through industrial development will only increase the pressure of numbers against available resources unless controlled fertility becomes the practise of Asia. But it is of course folly to think that birth control can be anything but a slow development, for which reason frontier or international emigration might temporarily ease population pressure. Here is where the Australian must sit up and take notice. Where might such emigration take place?

The next essay, "Future Migration into Latin America" by Kingsley Davies, make it quite clear that this zone will not take any surplus from Asia, for it has firmly closed its door to the Asiatic and has become convinced of the superiority of a "white" skin. The policies of the Latin American countries are confusing, for they are seeking to be selective in their choice of European rural workers and farmers, but at the same time to encourage mass immigration—and this at a time when they are only half way through their own demographic revolution. Their present policies would, if they succeeded, threaten to destroy the produc-

tivity of their soil rather than add permanently to their prosperity. What the leaders of these countries do not seem to have realized, says Davis, is that they have a rate of population increase as rapid as that of any other major area of the world, and that they can probably produce from their own high fertility all the people whom they can profitably absorb, provided they are prepared to tackle their problem of high mortality.

Be that as it may, the fact remains that Latin America has joined in the "fishing" expedition in Europe, to become competitors of other immigrant-seeking powers. But what are the prospects of successful hauls? This subject Dudley Kirk discusses in the third essay. He sees prospects of considerable emigration from amongst Europe's 30 million displaced persons and refugees. Italy and Germany may for some time be zones of high immigration potential. But he is not optimistic about the revival of the Great Migration of the century preceding 1930. Gallup polls in European countries leave no doubt about the desire of many of their inhabitants to flee Europe, but against this must be set the highly selective requirements of the immigrant areas, and (a factor which is rightly stressed) the vigorous "immigration" policies of France (which was the greatest source of attraction for European emigrants before 1939) and Britain (which absorbed 55,000 displaced persons in 1947). Australia and other non-European immigrant countries must now face the fact that they will be competing with European migration magnets. Further, if the large-scale movement of people within Europe and to areas beyond is to be co-ordinated with economic and demographic requirements some form of international control would be advisable. Carter Goodrich raises this issue and points to the suggestion of the permanent Migration Committee of I.L.O. that loans for economic development by the International Bank might include allowances for migration costs. Something might also be achieved through the Economic and Social Council of the Population Commission of U.N., but the present state of international relations would suggest that this is a little Utopian.

From this point the book switches to the American scene, and we are treated to an excellent summary of U.S. immigration laws, to a critical analysis of the economic and social implications of immigration, and to the result of a field study of the refugees in U.S.A. The last essay is of considerable interest to Australians in view of the Commonwealth's agreement with I.R.O. to take 12,000—and now probably 20,000—refugees a year. The sample shows how rapidly refugees to U.S.A. have been assimilated to the cultural patterns of the groups among whom they have settled, and how few of them have had to follow careers for which they had not been trained in their country of origin. But the moral of all this is that assimilation requires toleration and understanding on both sides, by the native as well as by the immigrant, and if Gallup polls in Australia are to be trusted as a cross-section of public opinion it is doubtful if we are yet ready to absorb the non-British migrant with as little friction as in U.S.A.

Finally, in Part III, the question of internal migration in U.S.A. is discussed. Two items of interest emerge—the rapid shrinkage during the war years of U.S. agricultural population, despite an increase of some 30% in production, and the apparent permanence of the shift of population to new industrial areas which accompanied the war. That this is a phenomenon of considerable social significance is revealed in the figure of some 15,330,000 civilians who had moved their residence between the date of Pearl Harbour and March, 1945. But while this shift has been from agricultural to industrial areas, a rapid increase in the total

urban population of U.S.A. is not anticipated. Population projections based on pre-war trends suggest that the urban population of U.S., as a percentage of the total population, may increase between 1950 and 2000 from 60.1% to 61.7%. But even the maintenance of the present proportional distribution between urban and rural areas will mean a steady migration from rural areas, because the fertility rates of urban areas have been below replacement level since the early years of the century, and in 1935-39 were over 27% below unity. The renewal of immigration will intensify the urban growth because future migrants will be required in industry rather than in agriculture. Even in U.S. it is considered that the mechanisation of agriculture can proceed much further than the stage reached during the war.

Disjointed and lacking in a central theme though this book is, it is worth close study by all Australians who wish to further their knowledge of postwar migration problems. Indeed, the whole arrangement has the merit of stimulating thought rather than providing the complete answer to the problems raised. Had the title been "Essays in Postwar Migration Problems" the book would have been an excellent bed-side volume for the Australian student of demography, and even without that amendment it is to be hoped that its essays become the leisure-time reading of Australia's migration officers throughout the world, for gone are the days when we can consider our migration policy without reference to the requirements and policies of other nations.

—W. D. Borrie.

**BRITISH POLICY IN THE SOUTH PACIFIC (1786-1893).** By John M. Ward. 1948. (Sydney, Australasian Publishing Company, pp xii+364, three maps).

This historical study of the South Pacific may not fall strictly within the scope of the *Australian Outlook*, but there are special points about it that make it relevant to current affairs. The conditions calling for regional organization as well as the international complications hindering such development, which we see in 1948 in connexion with the establishment of the South Pacific Commission, were present in the years prior to 1893, when Britain's Western Pacific High Commission was reconstituted. Mr. Ward has analysed the earlier events: we may profit from his work in appreciating the position now.

There is more than an instructive analogy. Some features of Australia's present foreign policy recall Australian action in the Pacific late last century, as if the stream of Australian policy runs below the surface of British policy while British policy moves strongly, and emerges when events seem (to us) to require us to act on our own initiative. In the South Pacific, certainly, the best way to understand many modern trends is to look at their previous course during last century. Mr. Ward's book enables us to do this more systematically than before.

After avoiding political responsibility in the South Pacific—a policy of "non-intervention"—Britain found that trading and missionary activity rendered "minimum intervention" necessary. British interest in Australia and New Zealand, Australian and New Zealand interest in the Pacific Islands, where the French began expansion, first brought a policy of maintaining the status quo and then led to a more active policy, which culminated in the annexation of Fiji and the establishment of the first Western Pacific High Commission (1877). With the process of partitioning undeveloped territories, in which France, Germany and U.S.A. took part in the Pacific, Britain had to develop her colonial

policy, if she was not to withdraw; so the High Commission was reconstituted to set up a framework of colonial administration for British territories in the Pacific (1893).

Within this general scheme Mr. Ward describes the developments in the individual territories—not only in Australia and New Zealand, but in Fiji, New Caledonia, New Guinea, New Hebrides, Samoa, Solomon Islands, Tonga. For those who are interested in the detailed problems of the South Pacific, as far as they touch these areas, directly or indirectly, these parts of the work are valuable for the background material which they provide up to a point. The book is concise and lucid, combining description of local conditions neatly with general argument about the development of British policy. Serious students of the Pacific to-day should read it—and, if they want help in coming forward to the South Pacific Commission, Mr. Ward himself gives a lead in his article on the background of the Commission in the first issue of the *Australian Outlook* (Vol. I, No. 1, pp. 17-28).

—A. H. McDonald.

NEW CYCLE IN ASIA: SELECTED DOCUMENTS ON MAJOR INTERNATIONAL DEVELOPMENTS IN THE FAR EAST, 1943-47. Edited by Harold R. Isaacs. Issued under the auspices of the Institute of Pacific Relations, 1947. (New York: Macmillan, pp. xiii+212).

Whatever a "cycle" in Asia may be, this volume will be a very welcome addition to the library of the student of Pacific Affairs. Mr. Isaacs has brought together, in compact form, the basic documents covering the emergence of what he calls "the new pattern of power" created by the Pacific War—the antagonism of the major powers, Russia and America, set in the Far East, and the development of new nationalist forces and new states in the old colonial empires of Britain, France and Holland. In his introduction Mr. Isaacs sketches the broad outlines of this new order of power, and his documents are grouped under headings which give emphasis to his argument there:—United States Mediation in China; the United States, U.S.S.R. and Korea; Great Britain and India; France and Indo-China; Netherlands and Indonesia, etc. Each section is preceded by a brief note giving the background story of the events concerned.

Valuable though the collection is, the interpretation of international relations, which is suggested by the arrangement of the documents and is explicitly stated in the Introduction, may be open to some question. "Major power factors," "major power antagonisms," "focal points of conflict," "power vacuums," and the rest, are no doubt useful concepts, but is there not a tendency to speak of international conflicts solely in these terms? To interpret international relations solely as a struggle for power is to sidestep the task of explaining the struggle. However, the struggle is there, and in documenting it Mr. Isaacs has produced an indispensable handbook.

—J. D. Legge.

DIPLOMATIC PRELUDE, 1938-9. By Professor L. B. Namier. (London, Macmillan & Co. Ltd., 1948).

"Qui s'excuse s'accuse." The cynic may use that aphorism as a criterion of the reliability of the documentary evidence which twentieth century belligerents hasten to produce in the early days of war. This evidence, no matter what its



source, has always the same object—to establish that its proponents acted solely in self-defence when they took up arms. Even the German myth of "intolerable provocation and acts of aggression" by Poland can be assigned to the self-exculpatory category, and therefore be all the more suspect. Exclusive reliance on the "coloured books" as source material for the immediate causes of World War II is obviously dangerous; but to wait until the archives of the principal belligerents have been exhaustively examined and all relevant documents published (if indeed they do all come to light; it is highly problematical whether the U.S.S.R. will ever make a full and frank disclosure of the secret cahiers of its Commissariat of Foreign Affairs) means that final judgment will be long delayed.

The British Government, loyal to the decision made by Mr. Eden when Foreign Secretary in the Coalition Government, has shown commendable promptness in commencing the publication of its documents on foreign policy (it will be recalled that the first volume of the pre-1914 papers did not appear until 1927). But it will be some years before publication is complete. One volume of the first series (1919-1930) and two of the second (1930-1939) have appeared; but we are warned that only in the fourth and fifth volumes of the second series will the early days of the National-Socialist regime come into the picture. The crucial events of 1938 and 1939 will ultimately be described in the *nth* volume. No doubt, long before the complete series are available some apologists, true to the form shown by their predecessors in the period 1919-1939, will have produced substantial tomes to support the contention that Germany, Italy, and Japan were far more sinned against than sinning.

In the meantime Professor Namier of Manchester University has made the best possible use of the limited material available. He is under no delusions as to its inadequacy; but he has made a very careful analysis of what has already been published. The Polish official documents are far from complete; they had to be compiled from such material as the various embassies could supply—and the author points out that there is good reason to believe that Foreign Minister Beck frequently failed to inform (or deliberately refrained from informing) the Polish ambassadors even in England and France as to what Warsaw was doing. The German documents are obviously propaganda, and not always very clever propaganda at that; the German version of the Polish documents which the Nazis claimed to have discovered at Warsaw (how providential that they were saved from the widespread destruction rained on the capital by the Luftwaffe!) at times appear to have been very skilfully doctored.

The author of *Diplomatic Prelude* has therefore found himself obliged to go far beyond the official publications, and has sought confirmation (or refutation) of theories tentatively formed in the writings of Leon Noel (French ambassador to Poland), of Roumanian Foreign Minister Gafencu, and of General Gamelin. He regards the Ciano Diaries (whose occasional slippancy and irresponsibility are an illuminating guide to the character of that particular contributor to the malaise of pre-1940 Europe) as partial corroboration, and draws further support *ex post facto* from the evidence given at the Nuremberg trials. Henderson's "Failure of a Mission" receives a good deal of critical attention which leaves the ambassador in an even more unfavourable light.

Only the most fervent adherents of appeasement will quarrel with the author's conclusions. War with Germany was sooner or later inevitable unless the Western Powers were prepared submissively to wait their turn to be called upon to satisfy Hitler's "positively last demand." Since even the appeasers were not



likely to swallow a full draft of the bitter medicine which they had forced down the Czech throat, they were merely playing for time—and in doing so were losing time, friends and repute. In retrospect, Chamberlain's naive belief that Hitler's signature on the dotted line meant not only peace but peace with honour becomes even more incredible. Henderson rarely looked below the surface; even if he had, he would not have recognised what he saw. His eyes took in nothing but the superficial glitter; his mind could not grasp the possibility that Goering, who entertained him so lavishly in his barbaric hunting lodge, might have the morals of a gangster. Beck's colossal conceit, his conviction—unfortunately shared by the Polish military leaders—that his country's "chocolate soldier" cavalry would be more than a match for Germany's armoured legions, his refusal to accept help from the U.S.S.R. except on the condition that no Russian soldier should put an impious foot on Poland's holy soil, made him an easy victim for a gambler who did not need to stack the cards because he had already put all the aces up his sleeve.

Implicit in the author's brilliant work is the thesis that if you are convinced of the justice of your cause, of the value of your way of life, there always comes a time when you must say, and say in a manner that carries conviction, "thus far and no farther." Mr. Bevin, Mr. Marshall et al., please note.

F.R.B.

**AUSTRALIA'S COLOURED MINORITY, Its Place in the Community.** By A. O. Neville. With an Introduction by Professor A. P. Elkin. (Currawong, 1948. 263 pages).

The outspoken reminiscences of a former Commissioner of Native Affairs in Western Australia provide a lively medium for indicating "the way in which, in certain directions, the cause of the natives is depreciated by faults in the system." They are also an effective vehicle for the formulation of an Australia-wide policy urged for adoption when Native Affairs become eventually a Commonwealth concern and anomalies in existing State authorities can be ironed out.

"Australia's Coloured Minority," by A. O. Neville, is compelling, because it deals with a national problem hitherto largely neglected, our responsibility towards white and Aboriginal mixed-bloods. Our coloured minority includes people of almost wholly European descent as well as the half-bloods and darker castes, and it is inconceivable, even if it were not too late, that they should be expected to live as natives. They are already finding their way into the white community, but the process is painful and attended by great difficulties and humiliations.

Mr. Neville discusses problems which must be faced if the policy of assimilation, to which the various States have pledged themselves, is to be realistically planned and carried out. He recognises that "To give the coloured people a mere smattering of education and Christian ethics and little or no technical or hygienic training . . . is not to assimilate them into society." Instead, he visualises institutions for coloured people, where the coloured children can be systematically trained from infancy to adulthood. He insists that these institutions must be regarded as training centres, not permanent settlements, and should not be needed after two or three generations of coloured children have passed through them to be absorbed into the white community.

After outlining his scheme for the ideal institution, which involves a strong measure of compulsion if it is to be efficient and successful, Mr. Neville presents

a strong case for "control of the right kind over a period of years," rather than the exercise of as little specific control over the coloured people as possible. He is aware of the disadvantages of any institutional scheme, particularly the modicum of individual freedom and the inevitable disruption of family life. He recognises that "failure in the past was attributable in the main to the view that if the natives wished their children to be educated they must part with them." At the same time, he is aware that a certain amount of interference with family life is inevitable if any mass educational scheme is to succeed. If the children are under the constant care of Authority, such problems as the coloured child's lapse of interest in schoolwork at adolescence can be met squarely by controlling the environment in which the coloured child reaches adolescence, providing suitable conditions for study and introducing him to more broadly educative interests.

The aim is to make the coloured people "acceptable to all and without reproach," in order that they may take their place in our Australian community. That is, Mr. Neville's suggestions are designed to eradicate the causes of their present non-acceptance. But the reasons advanced by our people are not the ultimate causes of their non-acceptance. Our community's emotional attitude towards colour is stressed in Professor Elkin's lucid and valuable introduction to this book.

White Australians everywhere have sought to justify the denial of social equality to the coloured Australians, by alleging that the coloured people do not conform to our own standards of hygiene and living conditions. There is a certain amount of truth in these popular allegations, that a substantial proportion of coloured Australians are in fact dirty, and live in undesirable circumstances. But unenlightened public opinion neglects the extreme variability of standards of living and hygiene within our own community, through all degrees from extreme cleanliness to filth. In assessing the cleanliness and standard of living of other groups, we apply an arbitrary standard which has little to do with the grades of cleanliness and living standards of our own community. We expect coloured groups in particular to conform to standards which we dare not apply to ourselves. To be judged clean, a coloured family must exhibit a higher standard of cleanliness than is normally found in white families of the same occupational (rural labouring) group. Some coloured Australians do actually conform to this arbitrary standard, but conformity brings no social recognition. Public opinion operates against all coloured Australians. Accounts of personal experiences with which Mr. Neville's book abounds illustrate this quite clearly.

Public opinion has frequently forced the Government to establish separate schools for coloured children and to provide separate accommodation for coloured persons in public hospitals. Such periodic necessity to submit to public opinion is one of the greatest frustrations experienced by administrators dealing with the problems of the coloured community.

Frank exposures of the difficulties involved in the administration of coloured people in Australia, largely through "faults in the system," make it obvious that if we are to improve the material and educational welfare of our coloured minority in the ways suggested by Professor Elkin in "Citizenship For The Aborigines" and by Mr. Neville in his present book, we must simultaneously prepare our non-coloured majority to grant them the same measure of social acceptance as would be accorded to white people in similar circumstances. Mr. Neville, in his provocative "Australia's Coloured Minority," helps to make accessible the true facts of the situation.

—Marie Reay.

June, 1948

THE ALLIED MILITARY GOVERNMENT OF GERMANY. By W. Friedmann. 1948. (London, Stevens, pp. 362).

This is much more than a book about Germany. It is a book about the central problem of post-war Europe. And because the problem of Germany is, at bottom, the problem of Russia's relations with the Western world, this book is an analysis of the present international situation.

It is a searching analysis, the description vivid, the argument close-knit, and every page shows an imaginative grasp of the political and human issues at stake.

It is not Professor Friedmann's fault that the record of Allied Government in Germany is so gloomy. It is a record of the retreat from Potsdam, of the steady deterioration of Allied unity since July, 1945. As the war-time unity has been replaced by distrust and enmity, the aims of the Soviet Union on the one side, and the Western democracies on the other have become increasingly narrow and negative. The positive political aims proclaimed so boldly in 1945 have been restricted and corrupted by military considerations. "Behind the endless discussions in the Control Council about reparations, dismantling of industry, currency reforms, denazification, control of scientific research, lies the growing conflict between Russia and the Western powers and more specifically between Russia and the United States. Considerations of what would be the best policy for Germany as such became mingled with considerations of Germany as a strategic pawn in the conflict of power politics." (p. 33). This conflict directly influences decisions on the strength of the Occupation forces which should be maintained in Germany. Professor Friedmann points out that if the conflict deepens there is a danger that the Allies will strengthen their respective zones as part of their own military preparations.

In drawing up a balance-sheet of the Occupation Professor Friedmann contrasts the progress made—certainly in Western Germany—in restoring "the pattern of political democracy" with the failure to carry out urgently needed social and economic reforms. He points out that in the condition of desperate scarcity prevailing in Germany economic planning and rigorous controls are essential. Yet the Americans have followed a policy of *laissez-faire* which, as the author states "may have been reasonable in America some 170 years ago and which may be acceptable in an economy of plenty, but collapsed even in the United States with the economic slump, which brought Roosevelt and the New Deal." The Russians, on the contrary, have pushed ahead ruthlessly in their zone with a programme for socialising the basic industries and for shifting the balance of economic power. Unhappily the British have not been able to achieve a middle-way which might have reconciled economic planning and political freedom. Though the British Government has favoured a policy of moderate socialism, the British representatives in Germany seem to have been out of sympathy with this objective. Consequently the fusion of the British and American zones is regarded by most Germans as the triumph of "American individualism" over "British socialism." This conflict of economic aims and methods further deepens the gulf between East and West.

As for the re-education of Germans in the ethics of a united world, example is more potent than precept. The Allies can hardly convert the Germans from the errors and evils of power politics while themselves continuing to give power their almost unqualified allegiance. Professor Friedmann's book makes it terribly clear that the problem of Germany can only be solved when, and if, the Soviet Union and the United States learn to work together.

W. Macmahon Ball.

LABOUR IN SOUTH-EAST ASIA: Edited by P. P. Pillai, New Delhi, Indian Council of World Affairs, 1947.

LABOUR PROBLEMS IN SOUTH-EAST ASIA: Virginia Thompson, New Haven, Yale University Press, 1947.

For most Australian readers the chief interest of these two books will derive from the light they shed on political conditions in South-east Asia to-day. A feature of the post-war period has been the emergence of labour questions and labour organizations much more fully into the foreground than before. The social structure and political status of these countries have made the development of widely and deeply based institutions for political action very difficult, and it is not surprising that activists have seized upon nascent workers' associations—they can be called trade unions only if allowance is made for their differences from unions of the Western type—as instruments that can be put to use in the achievement of political aims. Moreover in labour questions, if we include the cost of living and shortage of food, political leaders find a source of motive power which ekes out the uncertain strength of nationalist sentiment. For in multi-national countries nationalism is a divisive and wayward force, whereas economic grievances offer a ground for common action and mutual understanding between groups. Yet to make these economic grievances fully effective as a unifying force counteracting the disintegrating tendencies of nationalism it is necessary to clothe them in political costume: hence the strong infusion of leftist ideologies, socialist or communist.

Colonial governments feel great uneasiness at this characteristic mixture of nationalism and leftist ideology, and have sought anxiously to confine labour organizations to what they consider legitimate fields of economic action. But, apart from the difficulty in any country of making a clear division between economic and political aims, it is not the intention of the new leaders to renounce the use of labour associations in the furtherance of their general aspirations. In those South-east Asian countries which remain politically dependent, the leaders will not cease to assert the right of trade unions to engage in political warfare against the government.

Malaya provides a clear instance of the dilemma confronting the colonial powers in this field. As in other British dependencies, the Government has facilitated the formation of trade unions and shown an increasing interest in labour standards. But it has become more and more hostile to the frankly political aims which Communist and national labour leaders have donated to the movement. Its policy is therefore haunted by anxiety and indecision. Repressive measures taken against unions threaten to retard the development of organizations capable of playing their part in the raising of welfare standards and indeed of productive capacity. But failure to meet the challenge of the militant leaders would mean loss of the power to govern.

It is interesting to compare this situation with that of areas in which nationalist movements have become predominant. In Siam, labour organization is slight and has been politically negligible. Siamese governments have not shown much willingness to raise the standards of the Chinese labourers that form the principal industrial force; nor do they favour the prospect of having to deal with independent labour organizations of any sort. In Burma, during the period of British re-occupation, the trade union movement was dominated by political aims; now that independence has been achieved, the Government is not well pleased by

those organizations which continue the pattern of political attack. In Indonesia, the Republican Government seeks to weld the diverse labour associations into a movement at its disposal and under its control. The Viet-Nam leaders appear to have reacted similarly. It is unlikely that in any of these countries self-governing independent trade unions will be tolerated; such freedom of action as unions may exhibit will be the result of the weakness of the central governments rather than of their deliberate policy.

Both Dr. Pillai and Miss Thompson show signs of a willingness to be pleased by tendencies in this field which other observers view with greater foreboding. In his introduction, Dr. Pillai lays stress upon the cessation of colonial rule as a prelude to an increased productivity which alone can raise living standards. He outlines briefly the economic and social changes which must accompany development, and concedes that "all this involves a considerable measure of social discipline, voluntary sacrifice, and purposeful effort of a kind which the pluralistic and loosely integrated communities of Eastern countries are apt to find most exacting." The industrialized West is invited to contribute financially and technically to this process of development. But what if the free Asiatic countries are unable to provide a stable political framework within which production can flourish? Or what if their internal political evolution aligns them ideologically and strategically against the old imperial democracies of the West? What, further, if the irrational elements of nationalism, as is most likely, demand a solution of economic problems on terms which are neither realistic nor attractive to the West? Dr. Pillai dismisses summarily the imperialist claim that Western domination at least offers security from external aggression by pointing to World War II. That, however, leaves most of the case still unargued. Granted that the old conditions of security have changed, it is not therefore proved that the rise of new nationalist states racked internally by communal discord and economic disease, and externally suspicious of their neighbours, is the best of a number of choices.

Miss Thompson reveals with great clarity some of the conflicting tendencies which make peaceful development in the region problematical. If she retains something of the ease with which American liberals can identify what is "progressive" and "democratic" in Asiatic politics, it is nevertheless possible to discern a more realistic temper and a greater caution in judgment than was perceptible in her *Postmortem on Malaya*.

It must be pointed out, but not as an adverse criticism, that both these books offer a somewhat formal and even superficial survey of the conditions of labour and the varieties of organization. One would like to have a more intimate view of the living actuality which these general statements cover, but the opportunity for a closer acquaintance has been rare for observers in the past and does not at all exist at present. Meanwhile, both books render a service by collecting in convenient form general information which has previously been scattered and sometimes hard to obtain. Sources, however, are not stated in either work for much of the material presented; this is the more regrettable because a critical evaluation of sources is especially necessary in dealing with these countries.

—James McAuley.



## Institute Notes

### Victorian Branch.

Eleven meetings have been held since the last Branch Notes appeared in the December issue. A wide field has been covered as will be seen from the following titles: *The London Conference and the German Problem*, Professor W. G. Friedman; *The Second Assembly of the United Nations*, Mr. John Oldham; *The Refugee Problem, Where does its Solution Lie?* Mrs. Helen Wright; *India Today*, Mr. G. B. Gresford; *The United States and Canada in World Affairs*, Mr. Alfred Stirling; *Military and Political Problems in China*, Professor D. Copland.

### New South Wales Branch.

In June, a Winter Forum was held under the joint auspices of the Australian Institute of Political Science and the N.S.W. Branch. This was the first occasion on which the Branch has sponsored a public meeting. Three meetings were held on the general subject of *The World Situation*, at which papers were delivered by the Rt. Hon. H. V. Evatt, Professor D. Copland, and Mr. P. C. Spender, K.C.

Two new Sub-Committees have been established; a University Sub-Committee to integrate the interests of Associate Members by the holding of special lectures and round table discussions, and a Public Relations Sub-Committee.

### Queensland Branch.

Among the meetings of this Branch, the subjects and speakers were: *Conditions and Ideas in the U.S.A., Great Britain and India*, Mr. Colin Clark; *My Visit to the UNESCO Conference*, Mr. L. D. Edwards, Director General of Education in Queensland; *Berlin Interlude*, Mr. John L. Scherer, who had travelled extensively in the British and Soviet occupied zones.

### Canberra Branch.

With an increase in Membership to 46 full members and 26 associates, this Branch feels that it is at the beginning of an impressive expansion.

The following meetings have already been held:—Mr. A. D. Azhar on *Pakistan*; Mr. T. Inglis Moore on *Japan*; and Professor D. Copland on *China*. In addition, the Branch, in association with the Economic Society, has had addresses from Professor W. K. Hancock and Lord Beveridge.

### Western Australian Branch.

In June, this Branch celebrates its first birthday. At one of the recent meetings members heard Mr. G. K. Baron-Hay speak on *The Activities of F.A.O.* Professor Griffith Taylor addressed a meeting in May on the subject of *Geo-Pacifics*.

### South Australian Branch.

*Sidelights on the Occupation of Japan* was the subject of a talk by Mr. H. Plummer. Mr. Henry Stokes spoke to members on *Some Realities in Australian External Affairs*.

Efforts are being made to secure library accommodation.

### Tasmanian Branch.

*Aspects of the Situation in Japan* were illuminatingly discussed by the Bishop of Tasmania and Capt. J. Thorp (ex-B.C.O.F.) at a meeting in December.

At other meetings Professor L. F. Giblin spoke on *Peace in our Time?* and Miss Esther Skjuboe talked about *The Scandinavian Countries During and Since the War*.







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